1 IN THE

DISTRICT COURT OF THE UNITED STATES

FOR THE DISTRICT OF OREGON

[FILE ENDORSEMENT OMITTED]

UNITED STATES OF AMERICA,
Plaintiff,

—v.—

OREGON STATE MEDICAL SOCIETY
OREGON PHYSICIANS' SERVICE
CLACKAMAS COUNTY MEDICAL SOCIETY
CLATSOP COUNTY MEDICAL SOCIETY
COLUMBIA COUNTY MEDICAL SOCIETY
DOUGLAS COUNTY MEDICAL SOCIETY
JACKSON COUNTY MEDICAL SOCIETY
LANE COUNTY MEDICAL SOCIETY
MARION-POLK COUNTIES MEDICAL SOCIETY
THE MULTNOMAH MEDICAL SOCIETY
W. W. BAUM
JOHN BESSON
J. P. BRENNAN
JOHN H. FITZGIBBON
CHARLES E. HUNT
GORDON B. LEITCH
K. H. MARTZLOFF
E. H. MCLEAN
Defendants.

Civ. 4255

Complaint

Filed Oct. 18, 1948

The United States of America, plaintiff, by its attorneys, acting under the direction of the Attorney General of the United States, complains and alleges on information and belief as follows.

I. JURISDICTION AND VENUE

1. This complaint is filed and these proceedings are instituted under section 4 of the Act of Congress of July 2, 1890, entitled "An Act to protect trade and commerce against unlawful restraints and monopolies," 26 Stat. 209;

as amended, said Act being commonly known and hereinafter referred to as the Sherman Act against the above-named defendants, in order to prevent and restrain further violations by them, as hereinafter alleged, of section 1 and 2 of said Act (15 U. S. C. sections 1, 2).

2 2. The unlawful monopolizing, attempts to monopolize, combinations and conspiracies to monopolize, and contracts, combinations, and conspiracies in restraint of trade and commerce among the several states, hereinafter described, have been conceived, carried out, and performed, and are being carried out and performed in part within the District of Oregon.

II. DEFENDANTS

3. Defendant, the Oregon State Medical Society is an unincorporated association, having its office and principal place of business in Portland, Oregon. It is affiliated with the American Medical Association.

4. Defendant, the Oregon Physicians' Service is a corporation incorporated under the laws of the State of Oregon and having its office and principal place of business in Portland, Oregon. The Oregon Physicians' Service furnishes prepaid medical, surgical, and hospital care on a prepaid contract basis. It is sponsored and approved by the Oregon State Medical Society and is controlled and operated by members of that society. It sponsors, approves, and cooperates with component county societies and organizations controlled by the latter which offer prepaid medical plans.

5. Defendant, Clackamas County Medical Society is an unincorporated Association; having its office and principal place of business in Oregon City, Oregon. It is affiliated with the Oregon State Medical Society and the American Medical Association.

6. Defendant, Clatsop County Medical Society is an unincorporated association, having its office and principal place of business in Astoria, Oregon. It is affiliated with the Oregon State Medical Society and the American Medical Association.

7. Defendant, Columbia County Medical Society is an unincorporated association, having its office and principal place of business in St. Helens, Oregon. It is affiliated with the Oregon State Medical Society and the American Medical Association.

3 8. Defendant, Douglas County Medical Society is an unincorporated association, having its office and principal place of business in Roseburg, Oregon. It is affiliated with the Oregon State Medical Society and the American Medical Association.

9. Defendant, The Jackson County Medical Society is an unincorporated association, having its office and principal place of business in Medford, Oregon. It is affiliated with the Oregon State Medical Society and the American Medical Association.

10. Defendant, The Lane County Medical Society is an unincorporated association, having its office and principal place of business in Eugene, Oregon. It is affiliated with the Oregon State Medical Society and the American Medical Association.

11. Defendant, The Marion-Polk Counties Medical Society is an unincorporated association having its office and principal place of business in Salem, Oregon. It is affiliated with the Oregon State Medical Society and the American Medical Association.

12. Defendant, The Multnomah Medical Society is an unincorporated association having its office and principal place of business in Portland, Multnomah County, Oregon. It is affiliated with the Oregon State Medical Society and the American Medical Association.

13. Defendant, W. W. Baum is a doctor at Salem, Oregon. He is a member of the Oregon State Medical Society.

14. Defendant, John Besson is a doctor of Portland, Oregon. He is a member of the Oregon State Medical Society.

15. Defendant, J. P. Brennan is a doctor at Pendleton, Oregon. He has been an officer or director of one or more of defendant corporations or associations during all or part of the conspiracies hereinafter described.

16. Defendant, John H. Fitzgibbon is a doctor at Portland, Oregon. He has been an officer or director of one or more of the defendant corporations or associations during all or part of the conspiracy hereinafter described.

4 17. Defendant Charles E. Hunt is a doctor at Eugene, Oregon. He has been an officer or director of one or more of the defendant corporations or associations during all or part of the conspiracy hereinafter described.

18. Defendant Gordon B. Leitch is a doctor at Portland, Oregon. He has been an officer or director of one or more of the defendant corporations or associations during all or part of the conspiracy hereinafter described.

19. Defendant K. H. Martzloff is a doctor at Portland, Oregon. He has been an officer or director of one or more of the defendant corporations or associations during all or part of the conspiracy.

20. Defendant E. H. McLean is a doctor at Oregon City, Oregon. He has been an officer or director of one or more of the defendant corporations or associations during all or part of the conspiracy.

III. DEFINITIONS

21. Medical care as used herein includes medical, surgical, and dental treatment, hospital care, and allied services, including the furnishing of medicine and medical supplies.

22. Prepaid medical care plans are plans under which medical care is procured or paid for by organizations engaged in the business of issuing policies or contracts covering the cost of medical care to individuals or groups of individuals.

IV. NATURE OF TRADE AND COMMERCE

23. Various organizations are engaged in the business of supplying medical care to individuals, groups of individuals, and business concerns on a contract basis. Some of said organizations have their main offices in Oregon and carry on a substantial part of their business within that state.

24. Organizations with offices outside of Oregon offer to make and do make contracts with residents of Oregon for prepaid medical, surgical, and hospital care and allied services. In the absence of the restraints hereinafter described, the State of Oregon would constitute a substantial market for the prepaid medical care business of such organizations.

25. Organizations having their main offices in Oregon sell prepaid medical care policies in the states of Oregon, Washington and California. Organizations doing prepaid medical insurance business in the State of Oregon use interstate transportation and transmission facilities to transmit across state lines policies, reports, instructions, and correspondence, and there is a regular flow of

reports, communications, and commerce between said Oregon organizations and agents, doctors, and customers located in states other than Oregon. Medical care policies and payments thereon by policy holders regularly flow in interstate commerce between the State of Oregon and other states. Prepaid medical policies issued by Oregon organizations cover medical care required by Oregon residents while in other states. It is a part of the regular course of business of said Oregon organizations to arrange to pay for said medical care rendered by doctors, hospitals, and others in other states, or to provide policy holders in other states with transportation to Oregon for medical care. All of these transactions necessitate a regular course of business dealings between said Oregon organizations and individuals and organizations in other states. Business dealings across state lines are had between medically insured residents of Oregon and hospitals, doctors, and other persons located in states other than Oregon.

26. Organizations engaged in the sale and furnishing of prepaid medical care in Oregon are regularly engaged, as a part of said business, in the purchase and procurement of medicines, drugs, medical supplies, and instruments shipped from other States into the State of Oregon, and into other States; and said organizations cause the shipment from States other than Oregon of medicines, drugs, medical supplies, and instruments to doctors and purchasers other than said organizations in the State of Oregon, and other states.

6 27. Many industrial concerns located in Oregon are parties to, or but for the restraints hereinafter set forth would be parties to, contracts with organizations under which their employees secure prepaid medical care. Industrial concerns located in other states carry prepaid medical insurance for their employees with prepaid medical care organizations having their main offices in Oregon, and use Oregon medical care facilities for treatment of their employees. A substantial number of their employees reside in states other than Oregon.

28. Doctors practicing in Oregon treat patients who have come from other states to secure medical care in Oregon pursuant to prepaid medical care policies held by such patients. The facilities of hospitals located in Oregon are used by residents of other states who have come to Oregon for the purpose of using said facilities pursuant to the terms of their prepaid medical care policies. Similarly, doctors in other states treat patients coming

from the State of Oregon, and hospitals in other states are used by residents of Oregon, pursuant to the terms of the prepaid medical care policies of those patients.

29. Medicines, drugs, medical supplies, and equipment continuously come into and go out of the State of Oregon as the result of medical care by Oregon doctors and hospitals under prepaid medical care plans. Medicines, drugs, medical supplies, and equipment are shipped into states other than Oregon by virtue of medical care provided by doctors and hospitals in Oregon under prepaid medical care plans.

30. Prepaid medical care organizations providing prepaid medical care in the State of Oregon cannot carry on their business without cooperation or participation of doctors and hospitals in Oregon. Unless doctors and hospitals in Oregon provide medical treatment to members of prepaid medical care programs and accept payment therefor from prepaid medical care organizations, performance of contracts for prepaid medical care is made impossible.

V. OFFENSES CHARGED

31. Beginning on or about January 1, 1936, and continuing thereafter up to and including the date of filing this complaint, the defendants have attempted to, and have been engaged in a combination and conspiracy to, restrain and monopolize interstate trade and commerce in the business of selling and furnishing prepaid medical care in the state of Oregon and in other states, in violation of Sections 1 and 2 of the Sherman Act (15 U.S.C., Sections 1, 2). Defendants threaten to continue such offenses and will continue them unless the relief hereinafter prayed for in this complaint is granted.

32. The conspiracy has consisted of a continuing agreement and concert of action among the defendants, the substantial terms of which have been that defendants agree:

(a) To monopolize and attempt to monopolize prepaid medical care business in the State of Oregon and between the State of Oregon and other states.

(b) To limit the scope of medical care to be provided by prepaid medical care plans in the State of Oregon.

(c) To prevent, hinder, and obstruct prepaid medical care organizations other than those sponsored

by defendants from continuing to engage in or from engaging in the business of selling and furnishing prepaid medical care in Oregon and in other states.

(d) To restrain residents of Oregon and other states from entering into or continuing under prepaid medical care plans not sponsored or supported by the defendants.

(e) To prevent doctors from cooperating in prepaid medical care plans not sponsored or approved by defendants.

(f) To restrict the use of hospital facilities by doctors cooperating in prepaid medical care plans other than those sponsored or approved by defendants.

8 (g) To prevent Oregon hospitals from allowing their facilities to be used by doctors and patients associated with prepaid medical care plans other than those sponsored or approved by defendants.

33. The combination and conspiracy hereinabove described and the intended restraints which have resulted therefrom have been effectuated in the following manner and by the following means:

(a) Defendants have hindered and obstructed prepaid medical care organizations in their attempts to procure and retain qualified doctors to cooperate with them.

(b) Defendants have expelled; threatened, and incited the expulsion from medical societies of doctors cooperating in prepaid medical care plans other than those sponsored or approved by the defendants.

(c) Defendants have formed and promoted their own prepaid medical care plans with the intent to drive out, hinder, and obstruct other commercial medical care plans operating in the state of Oregon.

(d) Defendants have interfered with commercial prepaid medical care organizations other than those sponsored or approved by them in obtaining hospital facilities for their members.

(e) Defendants have refused to treat patients and have caused others to refuse to treat patients who are members of a prepaid medical care plan not endorsed by defendants unless the patient pays cash.

(f) Defendants have refused and encouraged other doctors to refuse to give patients who are members of a prepaid medical care plan not endorsed by de-
9 fendants itemized statements that will enable the patient to be reimbursed under the plan to which he has subscribed.

(g) Defendants have refused to consult or assist and have encouraged others not to consult or assist doctors who treat members of a prepaid medical care plan not endorsed by them.

(h) Defendants have spread false propaganda among doctors, hospitals, and the general public for the purpose of discrediting any prepaid medical care plans not endorsed by them.

(i) Defendants have agreed among themselves and with others not to compete with each other for prepaid medical care business or with other similar organizations approved by or affiliated with them.

(j) Defendants have succeeded in making hospital facilities in Oregon available only to members of defendant Oregon Medical Society and its component county medical societies, and have restricted and excluded other qualified doctors cooperating in prepaid medical plans other than those sponsored or approved by defendants from access to such facilities.

34. Each of the individual defendants has been active individually and as an officer or member of defendant associations or corporations in the violations herein alleged.

VI. EFFECTS OF VIOLATIONS

35. The following effects, among others, have resulted from the violations aforesaid:

(a) Prepaid medical care organizations other than those sponsored by the defendants have been prevented and hindered in entering into or expanding their business in Oregon. The business of such or-
10 ganizations outside the State of Oregon has been impeded and their ability to do business outside Oregon has been impaired.

(b) The public in and out of Oregon has been deprived of a fair and free opportunity to acquire

prepaid medical care insurance from organizations competing with one another in a free market.

(c) Members of the public in and out of Oregon have been deprived of medical care, which, save for the restraints herein described, would have been afforded them.

(d) Business concerns in and out of Oregon have been deprived of the opportunity to obtain prepaid medical insurance for their employees in an unrestrained market, and their business within and outside the State of Oregon has been adversely affected thereby.

(e) Doctors have been deprived of an opportunity to practice medicine in Oregon on terms of their own choosing, pursuant to the laws of Oregon.

(f) Doctors in Oregon and outside of Oregon have been denied the use of hospital facilities in Oregon.

(g) Hospitals in Oregon have been denied the privilege of making their facilities available to doctors and members of the public.

(h) The market for the sale and distribution of medicines, drugs, medical supplies, and medical equipment has been unduly restricted.

11 VII. PRAYER

Wherefore plaintiff prays:

(1) That pursuant to Section 12 of the Clayton Act, an order be made and entered requiring such of the defendants as are not residing within this district to be brought before this Court in this proceeding as parties defendant, and directing the Marshals of the District in which they severally are inhabitants, or may be found, to serve summons upon them;

(2) That the combinations and conspiracies in restraint of interstate trade and commerce, together with the attempts to monopolize, conspiracy to monopolize, and monopolization of the same, hereinbefore described, be declared to be illegal and violative of the Sherman Act;

(3) That defendants be perpetually enjoined from further engaging in or carrying out said restraints and conspiracy, from doing any act in furtherance thereof, and

from engaging in any similar conspiracy or course of conduct;

(4) That defendant medical societies be perpetually enjoined from refusing to take into their membership, and from expelling or threatening to expel from their membership, any doctor because of his cooperation in medical care plans other than those sponsored or approved by the defendants;

(5) That defendant medical societies, upon application or request therefor by any such doctor, shall reinstate as a member in good standing any doctor who has been expelled from membership because of his cooperation in a medical care plan other than those sponsored or approved by the defendants;

(6) That defendants be perpetually enjoined from persuading or inducing or attempting to persuade or induce hospitals to discriminate in the use of their facilities against doctors or patients cooperating or associated with medical care plans other than those sponsored or approved by defendants;

12 (7) That defendants be perpetually enjoined from persuading or inducing, or attempting to persuade or induce doctors not to cooperate in medical care plans other than those sponsored by the defendants;

(8) That the defendants be perpetually enjoined from suggesting, advocating, or agreeing that doctors should refuse to treat patients who are associated with medical care plans other than those sponsored or approved by the defendants; or to discriminate against said patients with respect to fees charged for medical services; or discriminate against said patients by requiring them to pay cash for medical services; or refuse to supply itemized statements to said patients showing the medical services rendered and the fees charged therefor;

(9) That defendants be perpetually enjoined from the publication or dissemination of false or disparaging publicity concerning medical care plans other than those sponsored or approved by the defendants;

(10) That defendants be perpetually enjoined from advocating, inducing, or agreeing that doctors who are members of defendant medical societies should refuse to consult in the diagnosis, care, or treatment of patients of doc-

tors cooperating in medical care plans other than those sponsored or approved by the defendants; or of doctors who are not members of defendant medical societies;

(11) That defendant medical associations be perpetually enjoined from refusing to give approval to any medical care plan on the ground that said plan is controlled or sponsored by a commercial organization; or that said plan provides for medical care of patients having incomes above any given amount; or that said plan would compete with one or more other medical care plans approved or sponsored by the defendants;

(12) That defendant medical societies be required to advise in writing all of their component county medical societies, and to publish a statement in NORTHWEST MEDICINE, that it no longer be the policy of said medical societies to do those things which, as hereinbefore alleged, they have combined and conspired to do, specifically including those things which defendants are enjoined from doing;

13 (13) That the plaintiff have such other and further relief as the court may deem just and proper;

(14) That the plaintiff recover its costs.

(Signed) PHILIP MARCUS
PHILIP MARCUS

(Signed) JAMES R. BROWNING
JAMES R. BROWNING

Special Assistants to the Attorney General

(Signed) TOM C. CLARK
TOM C. CLARK
Attorney General

(Signed) HERBERT A. BERGSON
HERBERT A. BERGSON
Assistant Attorney General

(Signed) HOLMES BALDRIDGE
HOLMES BALDRIDGE
Special Assistant to the Attorney General

(Signed) HENRY L. HESS
HENRY L. HESS
United States Attorney

IN THE

UNITED STATES DISTRICT COURT

[FILE ENDORSEMENT OMITTED]

[TITLE OMITTED]

Plaintiff's More Definite Statement

Filed February 28, 1949

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Pursuant to the order of the above entitled Court, entered in the above entitled action on the 17th day of January 1949, the plaintiff submits herewith a more definite statement in response to the requests in defendants' motion of November 29, 1948, insofar as plaintiff can now comply, except as to request No. 29(b) of the said motion. Plaintiff is now conducting an appropriate investigation to secure additional information pertinent to the subject matters of this more definite statement and to other issues in this cause. Plaintiff also proposes to secure additional information relevant to this action prior to the trial thereof by interrogatories, and by motions for production of documents, addressed to the defendants herein.

1. With respect to defendants' request No. 1, plaintiff does not know and does not contend that any one or more of the individual defendants mentioned in paragraphs 13, 14, 15, 16, 17, 18, 19 and 20 of the complaint is or is not a resident of any state other than Oregon, or has or has not been such a resident since January 1, 1936, or has or has not practiced medicine in any state other than Oregon since January 1, 1936.

2. With respect to defendants' request No. 2, relating to paragraph 3 of the complaint, plaintiff alleges that the defendant Oregon State Medical Society does have functions to perform outside the state of Oregon and that the said Society not only attempts to perform but does in fact perform these functions outside the state of Oregon. According to information presently within its knowledge, plaintiff alleges that said functions are, insofar as relevant to this action, as follows:

Defendant Oregon State Medical Society is a "constituent" association of American Medical Association, the national organization of doctors and physicians, whose principal offices are in Chicago, Illinois. The members of Oregon State Medical Society are also members of American Medical Association. Oregon State Medical So-
16 ciety is, and during the period covered by the conspiracy has been, represented in the governing body of American Medical Association (American Medical Society's House of Delegates) by its elected delegates. Oregon State Medical Society has also been represented on the board of trustees and other functioning councils, groups and bureaus of American Medical Association.

Like the defendants herein, American Medical Association has formulated, and sought by concerted coercion and boycott to effectuate, a policy of opposition to prepaid medical care plans other than those sponsored and approved by American Medical Association and its constituent associations, including Oregon State Medical Society —a policy and course of conduct motivated primarily by fear of the competition which this kind of practice offers to the customary fee-for-service basis of medical practice, and to prepaid medical plans sponsored and approved by American Medical Association and Oregon State Medical Society. A Judicial reflection of this policy and course of conduct of American Medical Association is found in *United States* v. *American Medical Association et al.*, 110 F. (2d) 703; c. d. 310 U.S. 644; *American Medical Association, et al.* v. *United States*, 130 F. (2d) 233; and *American Medical Association, et al.* v. *United States*, 317 U.S. 519.

Oregon State Medical Society, through its representatives in the governing body and functioning boards and councils of American Medical Association, has participated in the formulation and effectuation of the above described American Medical Association policy, at various meetings and conferences held outside the state of Oregon. As a part of the effectuation of this policy and of the conspiracy herein, in the state of Oregon, Oregon State Medical Society has submitted questions concerning prepaid medical care to American Medical Association outside of Oregon, has sought, outside of Oregon, the advice and council of American Medical Association as to the manner and means by which this policy, and the conspiracy herein, might be effectuated in Oregon, and has sought, outside of Oregon, and obtained, the assistance of American
17 Medical Association in the effectuation of this policy and of the conspiracy herein, including the procure-

ment of speakers from among the top officials of American Medical Association to travel to the state of Oregon and there to influence, persuade and induce members of Oregon State Medical Society to participate in the conspiracy herein.

Oregon State Medical Society has sponsored, approved, promoted and supervised the operations of the defendant Oregon Physicians' Service, and its predecessor organizations, with the intent to drive out, hinder and obstruct other commercial prepaid medical care plans not approved by defendants, and the activities of Oregon Physicians' Service—sponsored, approved, promoted and supervised by Oregon State Medical Society—have included activities outside the state of Oregon, as described in paragraphs 25 and 26 of the complaint herein.

Defendant Oregon State Medical Society owns and publishes, and during the period covered by the complaint herein has owned and published, jointly with Washington State Medical Society and Idaho State Medical Society, a monthly magazine known as Northwest Medicine. Northwest Medicine is edited and published by Oregon State Medical Society and its two partner societies, in the city of Seattle, Washington. It is circulated among members of the medical profession throughout the states of Oregon, Washington and Idaho. Defendants, including Oregon State Medical Society, have utilized Northwest Medicine as a means to effectuate the conspiracy herein, publishing in the columns of said magazine materials designed to influence and compel doctors, hospitals, industrial concerns, and members of the public within the states of Oregon, Washington and Idaho to participate in the conspiracy herein, by refusing to deal with prepaid medical care plans not approved by defendants.

Oregon State Medical Society has sent representatives to meetings held from time to time with representatives of other state medical societies on the West Coast at which matters relevant to the conspiracy herein have been dealt with. Oregon State Medical Society has sent
18 delegates from its component county societies to a national conference of medical society officials at which such matters were considered. Oregon State Medical Society has conducted an intensive study of prepaid medical practice in states other than Oregon as a part of the formulation and effectuation of the conspiracy herein.

3. With respect to defendants' request No. 3, relating to paragraph 21 of the complaint, plaintiff states that

(a) the following "allied services" are included within the plaintiff's definition of "medical care": X-ray, laboratory services, ambulance transportation, special nursing, medications, physical therapy, electro-therapy, hospital service, first aid and first aid supplies, refractions for eyeglasses, physical examinations, dietary care, blood transfusions, dressings, serums, antitoxins, orthopedic appliances, private sanitorium care, drinking water analyses, insulin, oxygen, blood plasma, radium, electrocardiograms and basal metabolism tests, anesthesia, surgical and anesthetic supplies, and routine splints, casts and dressings;

(b) that to the plaintiff's present knowledge, the following prepaid medical care organizations furnish, or during the period of the conspiracy herein have furnished, medicine and medical supplies:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Physicians Association of Clackamas County	Oregon City, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon

Organization	Principal Place of Business
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon

4. With respect to defendants' request No. 4, relating to paragraph 22 of the complaint, plaintiff alleges:

(a) That the names of the organizations now known to plaintiff which procure "medical care" or are in the business of procuring "medical care" or contract to procure "medical care" to individuals or groups of individuals within the state of Oregon, or did so at some time within the period of the conspiracy, are:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon

Organization	Principal Place of Business
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon
Physicians Association of Clackamas County	Oregon City, Oregon

(b) that, so far as now known to the plaintiff, the names of prepaid medical care plans within the state of Oregon that contract, or during the period of the conspiracy herein have contracted, to furnish drugs, medicines and medical supplies are those listed in paragraph 4 (a) hereof.

5. With respect to defendants' request No. 5, relating to paragraph 23 of the complaint, the plaintiff alleges, on the basis of its present knowledge:

(a) That the intended meaning of the first sentence of paragraph 23 is the general fact of common knowledge that the business of supplying medical care on a contract or prepaid basis is a common commercial enterprise in the United States. Plaintiff did not intend to raise an issue as to the participation of particular organizations in this business, and therefore does not have available a general list of such organizations.

(b) That the following organizations have their main officers in Oregon and carry on a substantial part of their business of supplying medical care on a contract or prepaid basis in the state of Oregon:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon

Organization	Principal Place of Business
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Physicians Association of Clackamas County	Oregon City, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumberinen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

21. 6. With respect to defendants' request No. 6, relating to paragraph 24 of the complaint, the plaintiff alleges, on the basis of its present knowledge:

(a) That the intended meaning of the averments of paragraph 24 of the complaint, in conjunction with paragraphs 32(c) and 35(a), is the general fact of common knowledge that there are many organizations with main offices outside Oregon which are engaged in the business of supplying medical care on a contract basis, and that, in the absence of artificial restrictions, many of these organizations would, in the competitive search for additional

markets, offer to make and make such contracts within the state of Oregon. The plaintiff has therefore made no effort to determine the names of particular organizations which fall within this class. However, the plaintiff has been informed, and so alleges, that Blue Cross Commission, with main offices in Chicago, Illinois, is an organization in this class.

(b) That the defendants combined and conspired to prevent and restrain *all* organizations other than those sponsored by defendants, from contracting to furnish or pay for medical care on a prepaid basis, including *all* such organizations with main offices outside the state of Oregon. The plaintiff alleges that the conspiracy was directed against such non-approved organizations as a class, and does not now know the names of particular organizations within this class.

(c) That the intended meaning of averments in the second sentence of paragraph 24 of the complaint is the general fact that, as a necessary and inevitable consequence of the conspiracy herein, *all* organizations other than those sponsored by defendants were denied free access to the market for prepaid medical care in the state of Oregon, and the plaintiff therefore made no effort to determine, and does not now know, the names of particular organizations within this class.

7. With respect to defendants' request No. 7, relating to paragraph 25 of the complaint, plaintiff states, on the basis of its present knowledge

(a) that the following organizations having their main offices in Oregon sell prepaid medical care policies in the states of Oregon, Washington and/or California:

Organization	Principal Place of Business
Oregon Physicians' Service	Salem, Oregon
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon

(b) that the names of the Oregon organizations, now known to plaintiff, as to which plaintiff contends there is, or during the period of the conspiracy has been, a regular flow of reports, communications and commerce between

such organizations and agents, doctors and customers located in states other than Oregon are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Physicians Association of Clackamas County	Oregon City, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

(c) That the Oregon organizations which cover, or during the period of the conspiracy, have covered, medical

care required by Oregon residents while in other
23 states are those listed in paragraph 7(b) hereof;

(d) that the Oregon organizations which provide, or during the period of the conspiracy have provided, "policyholders" in other states with transportation to Oregon for medical care are those listed in paragraph 7(a) hereof;

(e) that the details of business dealings across state lines which are had between medically insured residents of Oregon and hospitals, doctors and other persons located in states other than Oregon are as follows: That the prepaid medical coverage sold by all of the organizations listed in paragraph 7(b) hereof includes the right to obtain medical care wherever the individual desires to obtain such care; that medically insured Oregon residents, in the exercise of this right, frequently decide to go outside the state of Oregon for such care; that in such cases the individual may either make the necessary arrangements in advance himself, or enlist the aid of his insurer in completing these arrangements; that in either case interstate correspondence, telephone communications, or telegrams are regularly exchanged between the insured Oregon resident, or his insurer acting as his agent, on the one hand, and doctors, hospitals and other persons, on the other, in the perfecting of these arrangements. Similarly, when medically insured residents of Oregon require medical care while outside the state of Oregon, they may, and not infrequently do, employ interstate mail, telephonic or telegraphic means of communication to arrange for treatment, hospitalization or other medical care in a different locality outside the state of Oregon, as well as to notify the insuring organization in Oregon under whose contract they are protected, and request that said organization arrange to pay for the medical care to be rendered by doctors, hospitals or others in a state other than Oregon. All of the above described interstate course of business dealing is in addition to that alleged in paragraph 25 of the complaint to transpire between Oregon prepaid medical care organizations and individuals and organizations in states other than Oregon.

24 8. With respect to defendants' request No. 8, relating to paragraph 26 of the complaint, plaintiff alleges, on the basis of information presently in its possession, that the organizations which are now, or at some time during the period of the conspiracy have been, engaged

in the sale and furnishing of prepaid medical care in Oregon, and which cause or have caused the shipment of documents, medicines, medical supplies and instruments from states other than Oregon to doctors and purchasers other than such organizations in the state of Oregon and other states, are as follows;

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon
Physicians Association of Clackamas County	Oregon City, Oregon

9. With respect to defendants' request No. 9, relating to paragraph 27 of the complaint, the plaintiff states:

(a) That the intended meaning of the averments in the parenthetical clause in the first sentence of paragraph 27 of the complaint is that, as a necessary and inevitable economic consequence of the conspiracy herein, which, as alleged in paragraph 35(d) of the complaint, denied to business concerns in Oregon the opportunity to obtain prepaid medical insurance for their employees in an unrestrained market, some of said concerns were inhibited from entering into contracts for such prepaid medical care. Plaintiff has therefore made no effort to determine, does not now know, the names of specific industrial concerns in this class. The names of industrial concerns in Oregon now known to the plaintiff which have been denied the opportunity to obtain prepaid medical insurance for their employees in an unrestrained market by the conspiracy herein, are set out below in paragraph 36(a) hereof.

(b) That plaintiff does not allege, nor does it know, whether any industrial concerns located outside Oregon have been prevented from obtaining prepaid medical care for their employees by the actions of defendants, except as they may have been inhibited from entering into contracts for such care as an economic consequence of the denial to them of the opportunity to enter into such contracts in an unrestrained market by the conspiracy herein, as alleged in paragraph 35(d) of the complaint herein.

(c) That, by reason of the facts averred in the preceding subparagraph, plaintiff has made no effort to determine, and does not now know the names of particular industrial concerns which were prevented from obtaining prepaid medical care for their employees by the actions of defendants. The names of industrial concerns outside of Oregon now known to the plaintiff which have been denied the opportunity to obtain prepaid medical insurance for the employees in an unrestrained market by the conspiracy herein, are set out below in paragraph 36(b) hereof.

(d) That plaintiff does not allege, nor does plaintiff now know, whether or not industrial concerns located outside of Oregon which carry prepaid medical insurance for their employees with organizations having their main offices in Oregon have been prevented or restrained from the

use of Oregon medical care facilities for the treatment of their employees, except as this may have occurred as a consequence of the denial to them of an opportunity to obtain said insurance in an unrestrained market, by the conspiracy herein, as alleged in paragraph 35(d) of the complaint herein. The names of industrial concerns located outside Oregon now known to plaintiff which have been denied the opportunity to obtain prepaid medical insurance for their employees in an unrestrained market by the conspiracy herein, are set out below in paragraph 36(b);

(e) that plaintiff does not now know the names of specific Oregon medical care facilities used or attempted to be used by industrial concerns located in states other than Oregon.

10. With respect to defendants' request No. 10, relating to paragraph 28 of the complaint, plaintiff alleges

(a) that all of the defendants, including the named individual defendants, agreed, as alleged in paragraph 33(e) of the complaint herein, to refuse and to induce others to refuse to treat patients, including those coming to Oregon from other states for treatment, who are members of prepaid medical care plans not endorsed by defendants unless the patient pays cash, but that plaintiff does not allege, and does not now know, whether any of the named individual defendants in this proceeding "have refused to treat patients who have come from other states to secure medical care in Oregon";

(b) that the combination and conspiracy herein, in which all the defendants, including the defendant Oregon State Medical Society, have participated, has had the effect, as alleged in paragraph 35(c) of the complaint herein, of depriving members of the public of the medical care, which, save for the restraints imposed by the conspiracy herein, would have been afforded them. Members of the public so deprived of medical care have included those coming, or who, but for the conduct of defendants, might have come, to Oregon from other states to obtain medical care;

(c) that the defendants have conspired, as alleged in paragraph 32(g) of the complaint herein, to prevent Oregon hospitals from allowing their facilities to be used by patients associated with prepaid medical care plans other than those sponsored or approved by defendants, in-

cluding patients coming to Oregon from other states for hospitalization, but plaintiff does not now know whether particular residents of other states were actually denied the use of hospital facilities by the conduct of the defendants.

11. With respect to defendants' request No. 11, relating to paragraph 30 of the complaint, plaintiff states

(a) that by "cooperation" or "participation" is meant rendering medical services by doctors and hospitals to prepaid medical care plan patients directly or in consultation according to the plan's rules. Plaintiff does not contend that individual doctors must cooperate or participate in the prepaid medical care program of any organization. Plaintiff does contend that doctors, hospitals and others may not, under the Sherman Act, combine and conspire to destroy the business of others by joint boycott and other means, as alleged in the complaint herein;

(b) that the plaintiff does not contend that doctors and hospitals are required to accept payment directly from prepaid medical care organizations to make possible performance of contracts or policies for prepaid medical care. Plaintiff does contend that the refusal of doctors and hospitals to treat patients associated with particular prepaid medical care organizations, unless those patients pay cash, imposes a substantial competitive burden upon such prepaid medical care organizations, particularly if the patients of other organizations offering prepaid medical care in the same market are not subjected to this condition. Plaintiff contends that refusal to treat patients who are members of a prepaid medical care plan not endorsed by defendants unless the patient pays cash, when employed as a means to effectuate a combination and conspiracy among defendants to destroy prepaid medical care plans competitive with those endorsed by defendants and to restrain and monopolize interstate trade and commerce in the business of selling and furnishing prepaid medical care, was illegal under the Sherman Act.

12. With respect to defendants' request No. 12, relating to paragraph 31 of the complaint, plaintiff alleges

(a) that defendants have attempted to, and have been engaged in a combination and conspiracy to, restrain and monopolize the interstate trade and commerce, described in paragraphs 23 through 30 of the complaint herein, be-

tween the state of Oregon and the other forty seven states of the United States.

(b)(1) that the manner and time in which the defendant county medical societies listed in request No. 12 (b) engaged in trade and commerce among the several states, is as follows:

Clackamas County Medical Society, Clatsop County Medical Society, Columbia County Medical Society, Douglas County Medical Society, Jackson County Medical Society, Lane County Medical Society, Marion-Polk Counties Medical Society, and Multnomah County Medical Society, each sponsored, approved, promoted, and supervised prepaid medical care plans in their respective counties in competition with other commercial prepaid medical care plans for the purpose alleged in paragraph 33 (c) of the complaint herein, which said sponsored prepaid medical care plans were engaged in interstate commerce in the manner and respects alleged in paragraphs 25 and 26 of the complaint herein.

Each of the defendant county medical societies listed in request No. 12 (b) is a component county society of the Oregon State Medical Society with representatives elected to the House of Delegates of the said Oregon State Medical Society. As such, each of said county medical societies participated in the functions of said Oregon State Medical Society outside the state of Oregon set forth above under paragraph 2 hereof.

Each of said county societies has engaged in interstate commerce in the manner above described during the period set out in paragraph 13 (a) hereof

(2) that the manner and time in which the individual defenda ts listed in request No. 12 (b) engaged in trade and commerce among the several states is as follows: Each of said individual defendants, except J. P. Brennan
29 is now, and during the period of the conspiracy has been, a member of one of the county medical societies listed in the preceding subparagraph, which sponsored, approved, promoted and supervised a prepaid medical care plan for the purpose of effectuating the conspiracy, and which said plans were engaged in interstate commerce in the manner and respects alleged in the paragraphs 25 and 26 of the complaint herein.

Each of said listed individual defendants is now, and during the period of the conspiracy has been, a member of the defendant Oregon State Medical Society, and an

officer of said Society and/or of the defendant Oregon Physicians Service. As such, each of said individual defendants participated in the functions of Oregon State Society outside the state of Oregon alleged in paragraph 2 hereof, including the interstate operations of the defendant Oregon Physicians Service.

Each of said individual defendants has engaged in interstate commerce in the manner above described during the period set out in paragraph 13 (a) hereof.

13. With respect to defendants' request No. 13, relating to the introduction in paragraph 32, plaintiff alleges:

(a) that each of the defendants particularly named in request No. 13 has, according to plaintiff's present knowledge, pursued the continuing agreement and concert of action to restrain or monopolize interstate trade or commerce alleged in the complaint from on or before the approximate date indicated opposite its name below to the date of the complaint herein;

30

Defendant	Approximate Date of Original Participation
Clackamas County Medical Society	January, 1936
Clatsop County Medical Society	January, 1936
Columbia County Medical Society	January, 1936
Douglas County Medical Society	January, 1936
Jackson County Medical Society	January, 1936
Lane County Medical Society	January, 1936
Marion-Polk Counties Medical Society	Unknown
The Multnomah Medical Society	January, 1936
W. W. Baum	January, 1936
John Besson	January, 1936
J. P. Brennan	January, 1942
John H. Fitzgibbon	February, 1936
Charles E. Hunt	January, 1936
Gordon B. Leitch	January, 1942
K. H. Martzloff	January, 1936
E. H. McLean	January, 1936

(b)(1) that the manner in which each of the defendant county medical societies named in request No. 12 (b), participated in the combination and conspiracy is as follows: Each of said county medical societies is a component society of the defendant Oregon State Medical Society. As such its members are members of the Oregon State Medical Society, and it elects representatives to the House of Delegates of the State Society—the governing body of the

state organization. Through this participation in the direction and control of the state society, each county medical society participated in the formulation, adoption, and carrying out of the policies and programs of the Oregon State Medical Society through which the conspiracy was largely formed and effectuated. These policies and programs are set out in paragraph 32 of the complaint.

In addition each of said county medical societies was primarily responsible for the effectuation within its own territorial jurisdiction of these policies and programs formulated and adopted by the Oregon State Medical Society, and each did in fact carry out and enforce those policies and programs within its jurisdiction. The particular means employed by each of said county medical societies for this purpose are set out in paragraph 33 of the complaint.

(2) that the manner in which each of the individual defendants named in request No. 13 (b), participated in the combination and conspiracy is as follows: Each of said individual defendants was a member of, served in
31 one or more official capacities in the Oregon State Medical Society. As such each of said individual defendants participated in the formulation and adoption of the policies and programs of that society through which the conspiracy was largely effectuated as alleged in the preceding subparagraph.

In addition, each of said defendants, acting as an individual, agreed to act and acted to effectuate the conspiracy in the manner and by the means alleged in paragraph 33 of the complaint.

14. With respect to defendants' request No. 14 relating to subdivision (a) of paragraph 32 of the complaint, plaintiff alleges:

(a) that defendants agreed to monopolize and attempt to monopolize prepaid medical care business *in* the state of Oregon and *between* the state of Oregon and other states—*between* the state of Oregon and all of the other states of the United States. Plaintiff does not allege that defendants monopolized or attempted to monopolize the prepaid medical care business in any state, nor that defendants agreed to monopolize and attempt to monopolize prepaid medical care business *in* any state other than the state of Oregon;

(b) that all of the defendants participated in the agreement to monopolize and attempt to monopolize prepaid medical care business in the state of Oregon and between the state of Oregon and other states.

15. With respect to defendants' request No. 15, relating to subdivision (b) of paragraph 32 of the complaint, plaintiff alleges on the basis of its present knowledge:

(a) that defendants agreed to limit the scope of medical care to be provided by prepaid medical care plans in the state of Oregon in the following respects: by limiting contracts under such plans to persons in low income brackets; by confining prepaid medical plans sponsored by the county medical societies to a geographical area corresponding to that of the particular county; by confining the Oregon Physicians' Service to those counties in which the local county medical societies had not sponsored their own prepaid medical care plans; by limiting the services which were offered in the performance of
32 contracts of prepaid hospital insurance; by agreeing to continue certain benefits in prepaid medical plans sponsored by defendants at existing premium rates only until they could drive competitive organizations from the business;

(b) that the following organizations were affected or attempted to be affected by the agreement described in the preceding subparagraph:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Physicians Association of Clackamas County	Oregon City, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon

Organization	Principal Place of Business
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon

(c) that all of the defendants participated in the agreement described in the preceding subparagraph;

(d) that all of the defendants listed in request No. 15 (d) participated in the agreement described in subparagraph 15 (b) above.

16. With respect to defendants' request No. 16, relating to subdivision (c) of paragraph 32 of the complaint, plaintiff alleges:

(a) that the names of the prepaid medical care organizations now known to plaintiff which defendants agreed to prevent, hinder, or obstruct from continuing to engage in or from engaging in the business of selling and furnishing prepaid medical care in Oregon and in other states are as follows :

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Asosciation	Portland, Oregon

Organization	Principal Place of Business
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation.	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

(b) that all of the defendants participated in the agreements alleged in paragraph 32 (c) of the complaint;

(c) that all of the defendants participated in the agreement alleged in paragraph 32 (c) of the complaint;

(d) that the individual defendants participated in the agreement alleged in paragraph 32 (c) of the complaint by the following means: As officers and members of defendant medical societies and of Oregon Physicians' Service, they agreed with each other and with the other defendants to do the things alleged in paragraphs 32 (c), 32 (d), 32 (e), 32 (f), 32 (g), 33 (a), 33 (b), 33 (c), 33 (d), 33 (e), 33 (f), 33 (g), 33 (h), and 33 (j) of the complaint, and actively participated in effectuating these policies by intimidating other doctors, particularly younger men to induce and compel them to hinder and obstruct prepaid medical plans other than those sponsored by defendants through threats of exclusion or expulsion from medical societies, by aiding in the formation and promotion of their own prepaid medical care plans, by attempting to induce and compel hospitals not to cooperate with competitive prepaid medical care plans, by refusing to treat patients who were subscribers to the plans of prepaid medical care organizations not sponsored by defendants unless such patients paid cash and by encouraging others to follow the same course of action, by refusing to give itemized accounts to patients of such plans and encouraging other doctors to refuse to do so, by refusing to consult with doctors who cooperated with competitive plans and by subjecting such doctors to

slighting, disparaging and insulting remarks orally and in print, by spreading false propaganda and misrepresentation concerning such competitive organizations in
34 reports, speeches and literature disseminated among members of the medical profession in Oregon and other states, and, in general, by these and similar means described in paragraph 33 of the complaint.

17. With respect to defendants' request No. 17, relating to subdivision (d) of paragraph 32 of the complaint, plaintiff alleges:

(a) that the intended meaning of the averments in paragraph 32 (d) of the complaint is that defendants agreed to restrain residents of all states in which the prepaid medical plans competitive with plans sponsored or supported by defendants did business, from entering into or continuing under contracts with such competitive prepaid medical plans. To plaintiff's present knowledge, said competitive non-sponsored prepaid medical plans entered into contracts with residents of the states of Oregon, Washington and California;

(b) that defendants agreed to restrain any and all residents of the states in which said competitive prepaid medical organizations did business from doing business with said organizations, and plaintiff does not now know the names of such persons;

(c) that all of the defendants participated in the agreement alleged in paragraph 32 (d) of the complaint;

(d) that all of the defendants participated in the agreement alleged in paragraph 32 (d) of the complaint;

(e) that plaintiff does not now know whether defendants sponsored or supported prepaid medical care plans in states other than the state of Oregon.

18. With respect to defendants' request No. 18, relating to subdivision (e) of paragraph 32 of the complaint, plaintiff alleges:

(a) that defendants agreed to prevent all doctors from cooperating in the prepaid medical plans not sponsored or approved by defendants, including doctors in states other than Oregon;

(b) that plaintiff does not know the names and residences of the doctors outside the state of Oregon whom

defendants agreed to prevent from cooperating with competitive prepaid medical care plans, but that all doctors in the states where the publication *Northwest Medicine* was circulated were intended to be prevented from such cooperation, and particularly doctors who were members of the state medical societies of the states of Idaho and Washington;

(c) that the term "cooperating" means rendering medical services by doctors to prepaid medical care plan patients directly or in consultation and according to the plan's rules.

(d) that plaintiff does not now know whether defendants sponsored or approved medical care plans outside the state of Oregon;

(e) that defendants agreed to prevent all doctors from cooperating in the prepaid medical care plans not sponsored or approved by defendants, wherever and whenever such competitive unapproved plans might require the cooperation of doctors. Plaintiff does not now know the names of the particular doctors within this class. The agreement alleged in paragraph 32 (e) began sometime prior to January 1, 1936 and continued to the date of the filing of the complaint;

(f) that all of the defendants participated in the agreement alleged in paragraph 32 (e) of the complaint.

19. With respect to defendants' request No. 19, relating to subdivision (f) of paragraph 32 of the complaint, plaintiff alleges:

(a) that defendants agreed to restrict the use of any and all hospital facilities by doctors cooperating in prepaid medical care plans other than those sponsored or approved by defendants;

(b) that plaintiff does not now know the names of doctors and organizations actually restricted in their use of hospital facilities by the conduct of defendants;

(c) that all of the defendants participated in the agreement alleged in paragraph 32 (f) of the complaint;

(d) that the defendants agreed to restrict the use of any and all hospital facilities by doctors cooperating in prepaid medical care plans other than those sponsored and approved by defendants, including hospital facilities in

states other than Oregon. Plaintiff does not now know the names of particular hospital facilities within this class located outside the state of Oregon.

36 20. With respect to defendants' request No. 20, relating to subdivision (g) of paragraph 32, plaintiff alleges:

(a) that defendants agreed to prevent *all* Oregon hospitals from allowing their facilities to be used by doctors and patients associated with prepaid medical care plans other than those sponsored or approved by defendants;

(b) that defendants agreed to prevent Oregon hospitals from allowing their facilities to be used by any and all doctors and patients associated with prepaid medical care plans other than those sponsored or approved by defendants, and that plaintiff does not now know the names of the particular doctors and patients within this class;

(c) that defendants agreed to prevent Oregon hospitals from allowing their facilities to be used by doctors and patients associated with any of the prepaid medical care plans doing business in Oregon, other than those sponsored or approved by the defendants, and that the names of prepaid medical care plans falling within this class, which are now known to plaintiff, are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

21. With respect to defendants' request No. 21, relating to the introduction of paragraph 33 of the complaint, plaintiff alleges:

(a) that all of the defendants engaged in the combination and conspiracy referred to in the introduction of paragraph 33 of the complaint, and all of the defendants participated in effectuating said conspiracy and the intended restraints resulting therefrom in the manner and by the means alleged in the subparagraphs of paragraph 33 of the complaint;

(b) that the defendants attempted, and combined and conspired, to restrain the interstate trade and commerce in the business of selling and furnishing prepaid
37 medical care described in paragraphs 23 through 29 of the complaint by the means and in the manner alleged in paragraphs 32 and 33 of the complaint. The respects in which said attempt and combination and conspiracy did in fact restrain said interstate trade and commerce are alleged in paragraph 35 of the complaint. Additional particulars concerning the manner in which interstate commerce was restrained by defendants' conspiracy are set out in paragraphs 22 and 33 through 40 hereof. Finally, many of the means employed by defendants to effectuate their combination and conspiracy reached across state lines. The activities of the defendant Oregon State Medical Society outside the state of Oregon, set out in paragraph 2 hereof, are illustrative.

(c) That the defendants sought to effectuate their agreement to limit the scope of medical care to be provided by prepaid medical care plans in the state of Oregon, by agreeing to abide by the limitations in scope set out in paragraph 15 (a) hereof, and by attempting to restrict, drive out, and destroy, by the means alleged in paragraphs 33 (a), 33 (b), 33 (c), 33 (d), 33 (e), 33 (f), 33 (g), 33 (h) and 33 (j) of the complaint herein, the prepaid medical care plans not sponsored by defendants which did not abide by said limitations in scope.

(d) That defendants sought to effectuate their agreement to prevent, hinder and obstruct prepaid medical care organizations other than those sponsored or approved by defendants from continuing to engage in or from engaging in the business of selling and furnishing prepaid medical care in states other than the state of Oregon in the following manner and by the following means: by preventing,

hindering and obstructing said unapproved competitive organizations within the state of Oregon by the means alleged in paragraph 33 of the complaint, and thus impeding and impairing their business and ability to do business outside the state of Oregon; by inducing and compelling doctors outside the state of Oregon to refuse to treat patients who subscribed to prepaid medical care plans sponsored by such organizations, to refuse to give such patients
38 as were treated itemized statements for the treatment received, and to refuse to honor the tickets of, or receive payment from, such organizations for medical care administered to such patients; by embarrassing doctors outside the state of Oregon who affiliated with such organizations by refusing to consult with them by making and publishing insulting and derogatory remarks concerning doctors outside the state of Oregon who cooperated with such organizations and asserting that such cooperation was "unethical"; by attacking such organizations orally and in print, and disseminating said attacks and false propaganda and misrepresentations concerning such organizations, in reports, speeches and literature among members of the medical profession, industrial and business concerns, trade associations, and the public, outside the state of Oregon; by attempting to induce and compel hospitals outside the state of Oregon not to cooperate with such organizations; and by participating in the formulation and effectuation of the program of opposition to said organizations of the American Medical Association as described in paragraph 2 hereof;

(e) that defendants prevented and hindered prepaid medical care organizations other than those sponsored by defendants in entering into or expanding their business in the state of Oregon in the manner and by the means alleged in paragraphs 33 (a), 33 (b), 33 (c), 33 (d), 33 (e), 33 (f), 33 (g), 33 (h) and 33 (j) of the complaint herein;

(f) that defendants have impeded the business of prepaid medical care organizations other than those sponsored by defendants outside the state of Oregon, and impaired the ability of said organizations to do business outside the state of Oregon: by preventing and hindering said organizations in entering into and expanding their business in the state of Oregon by the means alleged in paragraph 21 (e) above; and by preventing, hindering and obstructing said competitive organizations from continuing to engage in, or from engaging in, the business of selling and furnish-

ing prepaid medical care in states other than the state of Oregon by the means alleged in paragraph 21 (d) above;

(g) that business concerns in and out of the state
39 of Oregon have been deprived of the opportunity to obtain prepaid medical insurance for their employees in an unrestrained market, and the business of such concerns within and outside the state of Oregon has been adversely affected, by the conduct of defendants in the following manner and by the following means: As a result of the conspiracy herein, prepaid medical care organizations other than those sponsored by defendants have been hindered and obstructed and their ability to compete both in the state of Oregon and in other states has been substantially reduced and limited. Further, as a necessary economic consequence of the conspiracy herein, the normal incentive to enter into the business of selling prepaid medical care in the state of Oregon and adjoining states was destroyed and potential competition from those who would otherwise have engaged in said business was eliminated. By reason of these consequences of the conspiracy, industrial concerns in and out of the state of Oregon were denied an opportunity to procure prepaid medical care for their employees in a market in which free and effective competition existed. The business of said industrial concerns has been impeded by the denial of this opportunity to procure medical care in a free market in that they have been unable to secure prepaid medical care for their employees upon as complete, efficient and inexpensive a basis as they would have been able to secure such care in the absence of the conspiracy herein. Those of said industrial concerns which were parties to contracts with prepaid medical care organizations other than those sponsored by defendants were subjected to embarrassment, inconvenience, harassment and expense by the conduct of defendants herein directed at hindering, obstructing and destroying the prepaid medical care programs with which said industrial concerns had contracts. Officials of said companies were forced to spend a substantial amount of their time in handling the complaints of, and securing treatment for, employees who, as patients of unapproved prepaid medical care programs, were subjected by defendants to the conduct alleged in paragraphs 33 (d), 33 (e), 33 (f), 33 (g), and 33 (j) of the complaint herein. In many cases the officials of said concerns were finally forced
40 to abandon contracts with unapproved competitive prepaid medical care programs and arrange for

coverage under a plan sponsored and approved by defendants. As a result of the circumstances described above the performance of their normal work by both employees and officials of said industrial concerns was impaired, and the business of said concerns necessarily adversely affected.

(h) that the market for the sale and distribution of medicines, drugs, medical supplies and medical equipment has been unduly restricted by the conduct of the defendants in the following manner and by the following means: As a result of the combination and conspiracy herein, prepaid medical care has been rendered more expensive, less efficient and narrowed its scope, and members of the public have thereby been deprived of prepaid medical care, including the use of medicines, drugs, medical supplies and medical equipment, which otherwise would have been afforded them, and the market for said articles has thereby been reduced. Further, as a consequence of said conspiracy, the market for said articles has been restricted by channelizing said supplies away from prepaid medical care organizations not sponsored or approved by defendants to the competitive plans sponsored or approved by defendants, and away from members of prepaid medical care plans not sponsored or approved by defendants and from doctors cooperating with such plans, to members of, and doctors cooperating with plans sponsored or approved by defendants.

22. With respect to defendants' request No. 22, relating to subdivision (a) of paragraph 33 of the complaint, plaintiff alleges:

(a) that defendants combined and conspired to hinder and obstruct in their attempts to procure and retain qualified doctors to cooperate with them, all prepaid medical care plans doing business in the state of Oregon other than those sponsored and approved by defendants. The names of prepaid medical care plans within this class now known to plaintiff are as follows:

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Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon

Organization	Principal Place of Business
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

(b) that plaintiff's definition of the term "qualified doctors" is all persons duly licensed to practice medicine by appropriate state authority, and that this definition includes, but is not limited to members of the defendant Oregon State Medical Society;

(c) that the word "cooperate" means rendering medical services by doctors and hospitals to prepaid medical care plan patients directly or in consultation and according to the plan's rules.

(d) that defendants hindered and obstructed prepaid medical care organizations other than those sponsored by defendants from procuring and retaining qualified doctors to cooperate with said unapproved plans by the means and in the manner alleged in paragraphs 33 (b), 33 (e), 33 (f), 33 (g), 33 (h) and 33 (j) of the complaint herein; by subjecting doctors who cooperated with said unsponsored competitive plans to embarrassment and ridicule by making and publishing insulting and derogatory remarks concerning said doctors, and asserting that they were "unethical"; and by inviting, urging and persuading doctors to refuse to cooperate with unapproved prepaid medical care plans;

(e) that the activity of defendants described in the preceding subparagraph hereof was not confined to the state of Oregon, but extended into the states of California, Washington, and Oregon, and others not now known to plaintiff.

23. With respect to defendants' request No. 33, relating to subdivision (b) of paragraph 33 of the complaint, plaintiff alleges:

42 (a) that all of the defendants combined and conspired to expel, and threaten and incite the expulsion from medical societies of doctors cooperating in prepaid medical care plans, other than those sponsored or approved by defendants;

(b) and (c) that defendants combined and conspired to expel, and threaten and incite the expulsion, from medical societies of any and all doctors cooperating in prepaid medical care plans other than those sponsored or approved by the defendants during the period of the conspiracy herein. The names of doctors within this class now known to plaintiff, and the approximate date upon which each was expelled, or his expulsion threatened or incited are as follows:

Name	Approximate Date
Dr. C. C. Moore	December 1936—and immediately prior thereto
Dr. C. G. Sabin	December 1936—August 1937
Dr. J. S. Applewhite	937 to 1938
Dr. J. D. Leonard	December 1936 and during 1937
Dr. Leland V. Belknap	March to August 1937
Dr. Wilford H. Belknap	1939 to April 1940
Dr. Sam H. Wise	August 1937
Dr. W. W. Black	1944
Dr. Howard E. Carruth	January 1937
Dr. Robert E. Holt	1937 to 1938
Dr. George R. Suckow	December 1936 and during 1937
Dr. Alfred E. King	July 1936—and immediately prior thereto
Dr. Sam Slocum	1937 to 1938
Dr. Moyt Kerr	1938
Dr. John R. Steagall	March to November 1936
Dr. W. C. Reiner	March 1936—and immediately prior thereto
Dr. A. H. Johnston	March 1936—and immediately prior thereto
Dr. Thorfinn Tharaldsen	November 1936—and immediately prior thereto
Dr. J. F. Bell	January 1937—and immediately prior thereto
Dr. John Culbertson	1937

Name	Approximate Date
Dr. H. R. Shields	November 1937—and immediately prior thereto
Dr. W. F. Beck	November 1937—and immediately prior thereto
Dr. J. O. Robb	During 1940 and February 1942
Dr. P. E. Pemberton	January 1944 and February 1948
Dr. Richard F. Berg	1941
Dr. C. H. Palmer	May to June 1940
Dr. C. E. Brous	May 1940
Dr. Boyd	May 1940
Dr. B. I. Phillips	May 1940
Dr. D. S. Swart	May 1940
Dr. Lyle B. Kingery	June 1940
Dr. Robert L. Benson	April 1948—and immediately prior thereto
Dr. Frank Perlman	April 1948—and immediately prior thereto
Dr. Roy R. Matteri	April 1948—and immediately prior thereto
Dr. Charles T. Sweeney	During 1938 and February 1940
Dr. Ed Bloom	May 1937 and December 1940
Dr. Milton V. Walker	January 1940
Dr. William B. Hare	April 1948

43 (d) that defendants combined and conspired to expel, and threaten and incite the expulsion, from medical societies of doctors who cooperated with any prepaid medical care plan doing business in the state of Oregon other than those sponsored or approved by defendants. The names of prepaid medical care plans within this class now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon

Organization	Principal Place of Business
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

(e) That defendants disemminated threats of expulsion from medical societies to doctors outside the state of Oregon.

24. With respect to defendants' request No. 24, relating to subdivision (c) of paragraph 33 of the complaint, plaintiff alleges:

(a) that the prepaid medical care plans formed and promoted by defendants with the intent to drive out, hinder and obstruct other commercial medical care plans operating in the state of Oregon, insofar as now known to plaintiff, are as follows:

Organization	Principal Place of Business
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon

Organization	Principal Place of Business
Hillside Hospital Company	Klamath Falls, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon

44 (b) that the term "commercial medical care plans" is intended to mean the same as the term "prepaid medical care plans";

(c) that defendants intended to drive out, hinder, and obstruct all commercial medical care plans operating in the state of Oregon other than those sponsored and approved by defendants. That the names of said non-approved competitive commercial plans now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

25. With respect to defendants' request No. 25, relating to subdivision (d) of paragraph 33 of the complaint, plaintiff alleges:

(a) that defendants have interfered with all commercial prepaid medical care plans doing business in the state of Oregon other than those sponsored or approved by defendants in obtaining hospital facilities for their members, and that the names of said unapproved competitive plans now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

45 (b) that plaintiff does not now know whether any member of any prepaid medical care organizations have in fact been denied hospital facilities by actions of the defendants;

(c) that plaintiff does not now know the names of the members of prepaid medical care organizations who have been interfered with by defendants in attempts to obtain hospital facilities;

(d) that defendants participated in the adoption and effectuation of policies by the American Medical Association which were designed and intended to induce and compel all hospitals in the United States to exclude from hospital staffs as unethical, all doctors who cooperated with prepaid medical care organizations other than those approved and sponsored by medical societies.

26. With respect to defendants' request No. 26, relating to subdivision (c) of paragraph 33 of the complaint, plaintiff alleges:

(a) that all of the defendants have refused, have caused others to refuse, or have conspired to refuse or cause others to refuse, to treat patients who are members of prepaid medical care plans other than those sponsored or approved by defendants unless the patient pays cash;

(b) that the intended meaning of the averments of paragraph 33 (e) of the complaint herein is that defendants herein have insisted, and caused others to insist, that patients who are members of a prepaid medical care plan not endorsed by defendants themselves pay for treatment received, and have refused, and caused others to refuse, to accept payment either from employers of said patients or from the competitive prepaid medical care plans of which said patients were members. Plaintiff also alleges that as a result of defendants' course of conduct some doctors have required said patients to pay cash prior to or at the time of treatment. On the other hand, defendants have not required and have induced others not to require, that patients who are members of plans sponsored or approved by defendants themselves pay for treatment or pay cash,

and have accepted and induced others to accept,
46 payment for the treatment of such patients from the employers of such patients and from the prepaid medical care plans of which said patients were members;

(c) that defendants have refused to treat patients and have caused others to refuse to treat patients who are members of any of the prepaid medical care plans doing business in the state of Oregon which are not endorsed by defendants unless the patient pays cash. That the names of prepaid medical care plans within this class now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees-Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

(d) that the names of patients now known to plaintiff whom defendants have refused to treat or caused others to refuse to treat unless they paid cash, are as follows:

Name	Address
Gaylord (initials unknown)	Unknown
Theodore S. Beguin	1833 S. W. 6th St., Portland, Oregon
Zenia Scherer	Hotel Jackson, Medford, Oregon
Emma Urwyler	Unknown
A. E. Warrick	701 North Cottage St., Salem, Oregon
O. B. Lyday	Unknown
Howard Hughes	Bradley Lumber Co., Bradwood, Oregon
Evart Hendrickson	Astoria, Oregon
Constance Sommerset	Unknown
Walt R. Gamer	Astoria, Oregon
E. L. Burdick	Northwest Electric Co., Vancouver, Wash.
Jacob A. Hiebert	Rt. 1, Monmouth, Oregon
J. W. Apperson	Klickitat, Washington
M. A. Bennett	Klickitat, Washington
Robert Adair	Sweethome, Oregon
Paul B. Tapp	Box 957, Sweethome, Oregon
E. V. Radford	Simpson Lumber Co., Kings Valley, Oregon
Herman Umlauf, Jr.	Klickitat, Washington
Donald Hess	Simpson Lumber Co., Kings Valley, Oregon
Maxine Preston	Toledo, Oregon
Edith Wright	2505 Madison, Eugene, Oregon
Laura Hoffman	920 East 81st St., McLaughlin Heights, Vancouver, Washington
Gertrude Miller	Hotel Jackson, Medford, Oregon

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Francis Sheythe	Simpson Lumber Co., Kings Valley, Oregon

Name	Address
Michael Colby	4223 S. E. 10th Avenue, Portland, Oregon
G. R. Fudge	Simpson Lumber Co., Kings Valley, Oregon
Artie Christianson	Medford Corporation, Medford, Oregon
D. D. Wigle	Central Willamette Lumber Co., Philomath, Oregon
George Spence	Seaside, Oregon (?)
Ted Gilliland	1202 May St., Hood River, Oregon
Lloyd Stephens	California Packing Sales Co., Portland, Oregon
Stonebreaker (initials unknown)	Roseburg, Oregon
Plummer (initials unknown)	Lawrence Warehouse Co., Portland, Oregon
Richard Norris	Golfvine Hotel No. 9, Seaside, Oregon
Charles Strayer	Medford Corporation, Medford, Oregon
Rudolf Bigej	Oregon City
J. Goodman	Seaside, Oregon
J. M. Sweet	Route 1, Box 238, Clackamas, Oregon
Davis R. Luke	Kennewick, Washington
J. A. Monroe	Roseburg Lumber Co.,
Beckwith (initials unknown)	Roseburg, Oregon
	Unknown
E. F. Shipley	Trailer Camp, Box 27, Cannon Beach, Ore.
Douglas Lewis	Medford, Oregon
Don L. Cruse	Automobile Market, 1016 E. Riverside, Medford, Oregon
James Little	Klamath Falls, Oregon
L. L. Evans	George Gray Logging Co., Seaside, Ore.
Henry Wolz	910 Norway St., Salem, Oregon
H. C. Bishop	Medford, Oregon

Name	Address
M. B. Henson	Medford Corporation, Medford, Oregon
Norman Lowrey	Astoria, Oregon
Amy Boyd	Portland, Oregon (?)

(e) that defendants' conspiracy to refuse, and to cause others to refuse, to treat patients who are members of a prepaid medical care plan not endorsed by defendants has not been confined to the state of Oregon;

(f) that defendants have caused others to refuse to treat patients who are members of prepaid medical care plans other than those approved by defendants unless the patients pay cash in the manner and by the means alleged in paragraphs 33 (b), 33 (g), 33 (h) and 33 (j) of the complaint; by subjecting doctors who treated patients who were members of unapproved competitive prepaid medical care plans without requiring said patients to pay cash to embarrassment and ridicule by making and publishing insulting and derogatory remarks concerning said doctors, and asserting that they were "unethical"; and by inciting, urging and encouraging doctors to refuse to treat patients of unapproved competitive medical care plans unless said patients pay cash.

48 27. With respect to defendants' request No. 27, relating to subdivision (f) of paragraph 33 of the complaint, plaintiff alleges:

(a) that all of the defendants have refused, encouraged others to refuse, or conspired to refuse and encourage others to refuse, to give patients who are members of a prepaid medical care plan not endorsed by defendants itemized statements that would enable said patients to be reimbursed under the plans to which they have subscribed;

(b) that defendants have refused and encouraged other doctors to refuse to give itemized statements to patients who are members of any of the prepaid medical care plans doing business in the state of Oregon which are not endorsed by defendants. That the names of prepaid medical care plans within this class now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon

Organization	Principal Place of Business
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

(c) that defendants have encouraged other doctors to refuse to give itemized statements to patients who are members of prepaid medical care plans not endorsed by defendants by the means alleged in paragraphs 33 (b), 33 (g), 33 (h), and 33 (j) of the complaint herein; by subjecting doctors who gave itemized statements to patients who are members of said unapproved competitive plans to embarrassment and ridicule by making and publishing insulting and derogatory remarks concerning said doctors, and asserting that they were "unethical"; and by inciting and urging doctors to refuse to give patients who were members of unapproved competitive prepaid medical care plans itemized statements;

49 (d) that the names of patients now known to plaintiff who were refused itemized statements as a result of defendants' course of conduct are as follows:

Organization	Principal Place of Business
Ray Braunkow	Klamath Falls, Oregon
Robert Lord	2819 East 24th Ave., Vancouver, Wash.
Edith Wright	2505 Madison St., Eugene, Oregon
Stonebreaker (initials unknown)	Roseburg, Oregon
Stephen Kane	Lawrence Warehouse Co., Portland, Ore.

Organization	Principal Place of Business
Rudolf Bigej	Oregon City, Oregon
Joe Hill	Route 2, Junction City, Oregon
Harold Perkey	J. C. Compton Construction Co., McMinnville, Oregon
Amy Boyd	Unknown

(e) plaintiff does not allege, nor does it know, whether any patients who are members of a prepaid medical care plan not endorsed by defendants have been unable to secure reimbursement under such a plan because of the actions of defendants. Plaintiff alleges that defendants' actions have rendered it difficult and inconvenient for such patients to secure reimbursement, and therefore have had the effect of denying to such patients the full benefit of membership in such plans, and of hindering and obstructing such plans from continuing to compete for and engage in the business of selling and furnishing prepaid medical care;

(f) that the conduct of defendants alleged in paragraph 33 (f) have affected patients in states other than the state of Oregon; and that the names of said states now known to plaintiff are California and Washington.

28. With respect to defendants' request No. 28, relating to subdivision (g) of paragraph 33 of the complaint, plaintiff alleges:

(a) that defendants have conspired to refuse to consult or assist and to encourage other doctors to refuse to consult or assist doctors who treat members of any prepaid medical care plan not sponsored by defendants. The names of unsponsored competitive prepaid medical plans within this class now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon

Organization	Principal Place of Business
Northwest Hospital Service Plan —(Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

(b) that defendants conspired to refuse to consult or assist all doctors who treat members of prepaid medical care plans not sponsored by defendants. The names of doctors within this class now known to plaintiff, and the dates upon the refusal to consult or assist occurred, are as follows:

Name	Date
Dr. Jones (initials unknown)	June, 1947
Dr. Alderman (initials unknown)	July, 1947
Dr. J. D. Leonard	(unknown)

29. With respect to defendants' request No. 29, relating to subdivision (h) of paragraph 33 of the complaint, plaintiff alleges:

(a) that all of the defendants conspired to spread false propaganda among doctors, hospitals, and the general public for the purpose of discrediting prepaid medical care plans not endorsed by them;

(c) the propaganda allegedly spread by defendants consisted of articles, editorials, reports, speeches, correspondence, resolutions and representations and other literature, published in *Northwest Medicine*, presented at meetings of medical societies, passed or adopted at such meetings, or made to members of the state legislature in the course of state legislative business. All such propaganda has been derogatory of prepaid medical care plans not sponsored by defendants in that it has charged that all such non-sponsored plans were lay-controlled, destroyed the normal physician-patient relationship by the introduction of an unnecessary third party, increased the cost of medical care, extracted a profit without contributing

a service, furnished inferior and inadequate medical care, refused to honor and perform contractual obligations, or to reimburse patients, doctors or hospitals, were "unethical", were in bad financial condition, dictated to doctors the manner in which patients should be treated, sent patients to quacks and cultists, and paid doctors and hospitals less than the fees paid by prepaid medical care plans sponsored by defendants;

(d) that said propaganda was false in that it was not true.

(e) that the defendants spread false propaganda as to all prepaid medical care plans doing business in the state of Oregon which were not sponsored and approved by defendants. The names of organizations within this class now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General-Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

30. With respect to defendants' request No. 30, relating to subdivision (i) of paragraph 33 of the complaint, plaintiff alleges:

(a) that the prepaid medical care plans which defendants have agreed will not compete with each other do exist and function in all states of the United States;

(b) plaintiff alleges that all of the individual defendants have conspired and agreed with each other and with the other defendants to create and maintain a system of state and county prepaid medical care plans sponsored and approved and participated in by the defendants, including the individual defendants, upon the understanding and agreement that such plans would not compete with
52 each other.

31. With respect to defendants' request No. 31 which relates to subdivision (j) of paragraph 33 of the complaint, plaintiff alleges:

(a) that the means and methods now known to plaintiff, which were employed by defendants to make hospital facilities available only to members of defendant Oregon State Medical Society and its component county medical societies were as follows: By adopting the policy, independently and in conjunction with the American Medical Association, that only those hospitals would be served by members of the medical societies, and/or would be approved for interne training, whose staff was composed wholly of doctors who were "ethical" and who were members in good standing of the Oregon State Medical Society and its component societies; and by attempting through recommendation, persuasion and threats, both oral and in writing, to induce and compel hospitals to make their facilities available only to members of the said medical societies;

(b) that the means and methods now known to plaintiff, which were employed by defendants to restrict and exclude qualified doctors cooperating in prepaid medical plans other than those sponsored or approved by defendants from access to hospital facilities were as follows: By excluding and expelling said qualified doctors from membership in the Oregon State Medical Societies as "unethical", and thereafter attempting to induce and compel hospitals to exclude said qualified doctors from access to the staffs and facilities of said hospitals by the means alleged in the preceding subparagraph hereof; and by attempting through recommendation, persuasion and threats, both oral and in writing, to induce and compel hospitals to exclude said qualified doctors, as well as patients associated with prepaid medical care plans not sponsored or approved by defendants, from access to the staffs and facilities of said hospitals and to make said staffs and facilities available only to plans sponsored and approved by defendants, irrespective of whether the doctors associated with the non-

approved competitive prepaid plans were members
53 of the medical societies;

(c) that plaintiff's definition of the term "qualified doctors" is all persons duly licensed to practice medicine by appropriate state authority;

(d) that plaintiff's definition of the term "cooperating" is rendering medical services by doctors and hospitals to prepaid medical care patients directly or in consultation and according to the plan's rules;

(e) that plaintiff does not now know the names of the doctors who have been restricted or excluded from access to hospital facilities by defendants' conduct;

(f) that plaintiff does not now know the names of the hospitals from access to the facilities of which doctors were restricted and excluded by the conduct of defendants;

(g) that plaintiff does not now know the names of the prepaid medical care plans, doctors cooperating with which were restricted and excluded from access to hospital facilities, but that defendants conspired and attempted to exclude and restrict from access to hospital facilities doctors cooperating with all prepaid medical care plans doing business in the state of Oregon which were not approved or sponsored by defendants, and that the names of organizations in this class now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

54 (h) that plaintiff does not now know the names of the doctors in the state of Oregon who are members of the Oregon State Medical Society or its component county medical societies and who have been excluded from the use of hospital facilities in Oregon by the actions of defendants.

32. With respect to defendants' request No. 32 (a) and 32 (b) which relate to subdivisions (a), (b), (c), (d), (e), (f), (g), (h), (i), and (j) of paragraph 33 of the complaint, plaintiff alleges that each of the individual defendants participated in the alleged combination and conspiracy by the means set forth in the above named subdivisions of paragraph 33 of the complaint.

33. With respect to defendants' request No. 33 relating to subdivision (a) of paragraph 35 of the complaint, plaintiff alleges:

(a) that the intended meaning of the averments of paragraph 35 (a) of the complaint, in conjunction with paragraphs 24 and 33 (c), is that, as a necessary and inevitable economic consequence of the conspiracy herein existing organizations engaged in the business of selling prepaid medical care in states other than the state of Oregon were inhibited from entering into such business in the state of Oregon, and that persons who might otherwise have begun a business of this type within the state of Oregon were deterred from so doing. Plaintiff does not know the names of particular existing or potential organizations within this class;

(b) that all prepaid medical care organizations doing business in the state of Oregon other than those sponsored by defendants were hindered in expanding their business in the state of Oregon by the conduct of defendants. The names of organizations within this class now known to plaintiff are as follow

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Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon

Organization	Principal Place of Business
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon

(c) that all prepaid medical care organizations doing business in Oregon other than those sponsored by defendants were impeded in their business outside the state of Oregon, and their ability to do business outside the state of Oregon impaired, by the conduct of defendants. The names of organizations within this class now known to plaintiff are those set out in the preceding subparagraph hereof;

(d) that the business of prepaid medical organizations other than those sponsored by defendants has been impeded or the ability of said organizations to do business has been impaired in all of the states of the United States and particularly (in addition to the state of Oregon) in the states of Washington and California, by the conduct of the defendants.

34. With respect to defendants' request No. 34 relating to subdivision (b) of paragraph 35 of the complaint, plaintiff alleges:

(a) that the public has been denied a fair and free opportunity to acquire prepaid medical care insurance from organizations competing with one another in a free market in all of the states of the United States, and particularly (in addition to the state of Oregon) in the states of California and Washington;

(b) that defendants or organizations sponsored by defendants, do compete for prepaid medical care insurance outside the state of Oregon, and, but for the conspiracy herein, and particularly the agreement alleged in
56 paragraph 33 (c) of the complaint herein, would compete more generally and effectively for such business both within and outside the state of Oregon;

(c) that the public has been deprived by the conduct of defendants of a fair and free opportunity to acquire prepaid medical care insurance in a free market in which all organizations engaged in the business of selling said prepaid medical care, or which, but for the conduct of the defendants, would have engaged in said business, were freely competing with one another. The names of organizations within these classes now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Physicians Association of Clackamas County	Oregon City, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon

Organization	Principal Place of Business
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon

35. With respect to defendants' request No. 35 relating to subdivision (c) of paragraph 35 of the complaint, plaintiff alleges:

(a) that plaintiff does not now know, and does not allege that particular members of the public have been absolutely deprived of medical care as a result of defendants' conduct, but that plaintiff alleges that as a necessary economic consequence of the conspiracy herein, and of the intended effects thereof alleged in paragraphs 35 (a), 35 (b), 35 (e), 35 (f), 35 (g), and 35 (h) of the complaint herein, members of the public in and out of Oregon have been prevented from acquiring prepaid medical care of their choice in a free market, and thus necessarily deprived of the prepaid medical care which they would otherwise have had afforded to them;

57

(b) that members of the public outside of the state of Oregon have been deprived by the defendants' conduct of the prepaid medical care which would otherwise have been afforded them by the following means and in the following manner: The business outside of the state of Oregon of prepaid medical care plans other than those sponsored by defendants has been impeded and the ability of these said plans to do business outside of the state of Oregon has been impaired; the ability and willingness of prepaid medical care plans sponsored by defendants to engage in full and effective competition outside the state of Oregon has been restricted; the ability of all prepaid medical care plans in Oregon to provide adequate service to members residing, or desiring or requiring treatment, outside of Oregon, and the scope of such treatment provided, has been restricted and limited; and persons in Oregon who might have entered into the business of selling and furnishing prepaid medical care in the state of Oregon and adjoining states have been deterred from doing so;

(c) that members of the public in all states of the United States, and particularly (in addition to Oregon) the states of Washington and California, have been deprived of the prepaid medical care which would otherwise have been afforded them by the conduct of defendants.

36. With respect to defendants' request No. 36 relating to subdivision (d) of parapragh 35 of the complaint, plaintiff alleges:

(a) that the conduct of the defendants has restrained the prepaid medical care market in the state of Oregon, and that all buyers in that market, including all business
58 concerns in the state of Oregon who might desire to contract for prepaid medical care for their employees, have been deprived of an opportunity to procure prepaid medical care insurance in an unrestrained market. That the names of business concerns in the state of Oregon now known to plaintiff which have been subjected to specific harassment, inconvenience and expense by the conduct of defendants are as follows:

Name	Address
Mist Logging Company	Roseburg, Oregon
Trask Lumber Company	Tillamook, Oregon
Columbia River Loggers Association	Portland, Oregon
E. M. Wood Lumber Company	Roseburg, Oregon
Hamilton Brothers	Rockaway, Oregon
Youngs Bay Lumber Company	Roseburg, Oregon
Oregon Shipbuilding Corporation	Portland, Oregon
California-Oregon Power Company	Medford, Oregon
C. D. Johnson Lumber Company	(Address Unknown)
Smith Canning Company	(Address Unknown)
Flora Lumber Company	Camas Valley, Oregon
First National Bank	Eugene, Oregon
Shell Oil Company	Eugene, Oregon
Williams Stores, Inc.	Eugene, Oregon
Crown Willamette Paper Company	Oregon City, Oregon
California-Oregon Power Company	Klamath Falls, Oregon
California-Pacific Utilities Company	Medford, Oregon
Hotel Jackson	Medford, Oregon
Southern Oregon Credit Bureau	Medford, Oregon
Carnation Lumber Company	Forest Grove, Oregon
Oregon American Lumber Company	Vernonia, Oregon
Schneider Lumber Company	Cottage Grove, Oregon
Bradley Lumber Company	Bradwood, Oregon

Name	Address
Wauna Lumber Company	Wauna, Oregon
Westport Lumber Company	Westport, Oregon
Columbia River Packers Association	Astoria, Oregon
Simpson Lumber Company	Kings Valley, Oregon
E. H. Clarke Lumber Company	Sweethome, Oregon
Lower Columbia Cooperative Berry Ass'n	Astoria, Oregon
California Packing Sales Company	Portland, Oregon
Roseburg Lumber Company	Roseburg, Oregon
Central Willamette [illegible]ver Company	(Address Unknown)
Southern Oregon Sugar Pine Company	Medford, Oregon
Gray Logging Company	Seaside, Oregon
Automobile Market	Medford, Oregon
Kercher Lumber Company	Glenwood, Oregon
Forest Grove Clay Products Company	Forest Grove, Oregon
Timber Products Corporation	Medford, Oregon
Service Engineering Company	Portland, Oregon
Pacific Logging Company	Astoria, Oregon
Benson Timber Company	(Address Unknown)
B. F. Johnson Lumber Company	(Address Unknown)
Birdseye-Snider Division	Hillsboro, Oregon
Logan and Taylor Company	Portland, Oregon
59 J. C. Compton Construction Company	McMinnville, Oregon
Hawley Pulp and Paper Company	(Address Unknown, probably Clackamas County)
Doernbecker Furniture Company	(Address Unknown probably Clackamas County)
Roy Hehn Lumber Company	(Address Unknown, probably Clackamas County)
Clackamas Lumber and Fur Company	(Address Unknown, probably Clackamas County)

Name	Address
M. H. Miller Lumber Company	(Address Unknown, probably Clackamas County)
C. E. Powell Lumber Company	(Address Unknown, probably Clackamas County)
C. E. Fallert Lumber Company	(Address Unknown, probably Clackamas County)
Evergreen Lumber Company	(Address Unknown, probably Clackamas County)
Molalla Lumber Company	(Address Unknown, probably Clackamas County)
Trask-Willamette Company	(Address Unknown, probably Clackamas County)
Hogg Brothers	(Address Unknown, probably Clackamas County)
L. H. Schetky	(Address Unknown, probably Clackamas County)

(b) that the conduct of the defendants has restrained the prepaid medical care market in all states (in addition to Oregon) in which prepaid medical care organizations doing business in the state of Oregon sell prepaid medical care, and that all buyers in said states, including all business concerns in said states who might desire to contract for prepaid medical care for their employees, have been deprived of an opportunity to procure prepaid medical care insurance in an unrestrained market. That the names of business concerns in said states now known to plaintiff which have been subjected to specific harassment, inconvenience and expense by the conduct of defendants are as follows:

Name	Address
J. Neils Lumber Company	Klickitat, Washington
Libby, McNeil & Libby	Kent, Washington
Des Chutes Lumber Company	Anderson, California

(c) that the business within and outside of Oregon of business concerns in and out of the state of Oregon has been adversely affected by the conduct of defendants in the manner described in paragraph 21 (g) hereof;

(d) that by the conduct of defendants, business concerns have been denied the opportunity to obtain, or have been restrained and restricted in their opportunity to obtain, prepaid medical care for their employees from any and all of the prepaid medical care plans doing business in the state of Oregon. That the names of said plans now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service Association	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon
Physicians Association of Clackamas County	Oregon City, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon

Organization	Principal Place of Business
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon

37. With respect to defendants' request No. 37 relating to subdivision (e) of paragraph 35 of the complaint, plaintiff alleges:

(a) that by the conduct of defendants all doctors in the state of Oregon have been deprived of an opportunity to practice medicine in Oregon on terms of their own choosing, pursuant to the laws of the state of Oregon. The names of doctors now known to plaintiff who have been
61 subjected to specific coersion, compulsion, harassment, threats or pressure designed to induce or compel them to conform to restrictions upon the practice of medicine agreed upon by defendants as a part of, and to effectuate, the conspiracy herein, are as follows:

Name	Address
Dr. C. C. Moore	Portland, Oregon
Dr. C. G. Sabin	Portland, Oregon
Dr. J. S. Applewhite	Portland, Oregon
Dr. J. D. Leonard	Portland, Oregon
Dr. Leland V. Belknap	Portland, Oregon
Dr. Wilford H. Belknap	Portland, Oregon
Dr. Sam H. Wise	Portland, Oregon
Dr. W. W. Black	Portland, Oregon
Dr. Howard E. Carruth	Portland, Oregon
Dr. Robert E. Holt	Portland, Oregon
Dr. George R. Suckow	Portland, Oregon
Dr. Alfred E. King	Portland, Oregon
Dr. Sam Slocum	Portland, Oregon
Dr. Moyt Kerr	Portland, Oregon
Dr. John R. Steagall	Portland, Oregon
Dr. W. C. Reiner	Portland, Oregon
Dr. A. H. Johnston	Portland, Oregon
Dr. Thorfinn Tharaldsen	Portland, Oregon
Dr. J. F. Bell	Portland, Oregon
Dr. John Culbertson	Portland, Oregon

Name	Address
Dr. H. R. Shields	Portland, Oregon
Dr. W. F. Beck	Portland, Oregon
Dr. J. O. Robb	Hillsboro, Oregon
Dr .P. E. Pemberton	Portland, Oregon
Dr. Richard F. Berg	Portland, Oregon
Dr. C. H. Palmer	Portland, Oregon
Dr. C. E. Brous	Portland, Oregon
Dr. Boyd (initials unknown)	Portland, Oregon
Dr. B. I. Phillips	Portland, Oregon
Dr. D. S. Swart	Portland, Oregon
Dr. Lyle B. Kingery	Portland, Oregon
Dr. Robert L. Benson	Portland, Oregon
Dr. Frank Perlman	Portland, Oregon
Dr. Roy R. Matteri	Portland, Oregon
Dr. Charles T. Sweeney	Medford, Oregon
Dr. Ed Bloom	Eugene, Oregon
Dr. William B. Hare	Portland, Oregon
Dr. H. M. Peery	Eugene, Oregon
Dr. Carl H. Phetteplace	Eugene, Oregon
Dr. Grant S. Beardsley	Eugene, Oregon
Dr. Charles E. Hunt	Eugene, Oregon
Dr. Charles D. Donahue	Eugene, Oregon
Dr. Carl W. Robbins	Eugene, Oregon
Dr. M. G. Howard	Eugene, Oregon
Dr. W. H. Chapman	Eugene, Oregon
Dr. A. O. Waller	Eugene, Oregon
Dr. E. D. Furrer	Eugene, Oregon
Dr. Milton V. Walker	Springfield, Oregon
62 Dr. Leslie S. Kent	Eugene, Oregon
Dr. A. H. Ross	Eugene, Oregon
Dr. R. C. Faust	Eugene, Oregon
Dr. A. F. Barnett	Eugene, Oregon
Dr. A. H. Huycke	Oregon City, Oregon
Dr. W. Ross Eaton	Oregon City, Oregon
Dr. Kenneth Lancefield	Canby, Oregon
Dr. R. L. Strickland	Oregon City, Oregon
Dr. G. H. Strickland	Oregon City, Oregon
Dr. Albert Mount	Oregon City, Oregon
Dr. Edwin A. Hendry	Canby, Oregon
Dr. J. O. Cleland	Oregon City, Oregon
Dr. C. A. Stuart	Oregon City, Oregon
Dr. R. N. Stearns	Medford, Oregon
Dr. R. E. Green	Medford, Oregon
Dr. Dwight H. Findley	Medford, Oregon
Dr. Ernest A. Woods	Ashland, Oregon

Name	Address
Dr. A. F. Walter Kresse	Medford, Oregon
Dr. E. G. Everett	Ashland, Oregon
Dr. F. G. Thayer	Medford, Oregon
Dr. Edwin R. Durno	Medford, Oregon
Dr. Charles W. Lemery	Medford, Oregon
Dr. James G. Hayes	Medford, Oregon
Dr. Harvey A. Woods	Ashland, Oregon
Dr. C. I. Drummond	Medford, Oregon
Dr. J. D. Rankin	Coquille Hospital, Oregon
Dr. L. B. Gould	Coquille Hospital, Oregon
Dr. N. Earl Wilson	Coquille Hospital, Oregon
Dr. G. E. Stark	Belle Knife Hospital, Oregon
Dr. James Richmond	Belle Knife Hospital, Oregon
Dr. H. H. Thomas	Mast Hospital, Oregon
Dr. E. Lucas	Bandon Hospital, Oregon
Dr. A. O. Pitman	Hillsboro, Oregon
Dr. F. J. Kabeiseman	Hillsboro, Oregon
Dr. D. E. Wiley	Hillsboro, Oregon
Dr. Roswell S. Waltz	Forest Grove, Oregon
Dr. R. M. Kines	Forest Grove, Oregon
Dr. F. W. Rafferty	Astoria, Oregon
Dr. Thomas Mathews	Oregon City, Oregon
Dr. L. Lloyd Smith	Oregon City, Oregon
Dr. Pollard (initials unknown)	Eugene, Oregon
Dr. Charles C. Petheram	Portland, Oregon
Dr. Massey (initials unknown)	Klamath Falls, Oregon
Dr. J. A. Reuter	The Dalles, Oregon
Dr. Fred F. Thompson	The Dalles, Oregon
Dr. Thompson Coberth	The Dalles, Oregon
Dr. Thomas E. Griffith	The Dalles, Oregon
Dr. W. R. Taylor	The Dalles, Oregon
Dr. Paul R. Vogt	The Dalles, Oregon
Dr. W. H. Fortner	Corvallis, Oregon
Dr. Banner R. Brooke	Portland, Oregon
Dr. Franklin J. Underwood	Portland, Oregon
Dr. C. I. Drummond	Portland, Oregon
Dr. E. C. Everett	Ashland, Oregon
Dr. G. W. Lemery	Tillamook, Oregon

	Name	Address
	Dr. Barnard Barkwill	Marshfield, Oregon
63	Dr. Charles A. Haines	Ashland, Oregon
	Dr. Floyd L. Dunnavan	Portland, Oregon
	Dr. Paul H. Homann	Portland, Oregon
	Dr. F. Kenneth Power	Salem, Oregon
	Dr. Wolcott E. Buren	Salem, Oregon
	Dr. Vern W. Miller	Salem, Oregon
	Dr. Stuart M. Lancefield	Salem, Oregon
	Dr. A. T. King	Salem, Oregon
	Dr. Regner W. Kullberg	Astoria, Oregon
	Dr. Benjamin Lund	Astoria, Oregon
	Dr. Duncan A. MacLauchlan	Astoria, Oregon
	Dr. Clyde C. Parlova	Astoria, Oregon
	Dr. Antony (initials unknown)	Medford, Oregon
	Dr. Henry L. Skinner	Battleground, Washington
	Dr. Charles E. Sears	Portland, Oregon
	Dr. John R. Montague	Portland, Oregon
	Dr. Mathew C. Riddle	Portland, Oregon
	Dr. Charles P. Wilson	Portland, Oregon
	Dr. Frank S. Dietrich	Portland, Oregon
	Dr. Russell G. Barnes	Medford, Oregon
	Dr. Robert W. Sleeter	Medford, Oregon
	Dr. R. P. Mortensen	Medford, Oregon
	Dr. Thomas R. Montgomery	Portland, Oregon
	Dr. A. N. Johnson	Roseburg, Oregon
	Dr. Roy E. Hanford	Roseburg, Oregon
	Dr. Needham E. Ward	Seaside, Oregon
	Dr. J. E. Vinson	Seaside, Oregon
	Dr. John G. P. Cleland	Oregon City, Oregon
	Dr. A. J. Loeffler	Medford, Oregon
	Dr. Kenneth C. Swan	Portland, Oregon
	Dr. M. C. Findley	Salem, Oregon
	Dr. O. Clement	Salem, Oregon
	Dr. N. Thompson	Salem, Oregon
	Dr. James L. Sears	Salem, Oregon
	Dr. Noble Wiley Jones	Portland, Oregon
	Dr. Thomas M. Joyce	Portland, Oregon
	Dr. Frank B. Kistner	Portland, Oregon
	Dr. Lawrence Selling	Portland, Oregon
	Dr. Dorwin L. Palmer	Portland, Oregon
	Dr. Merl L. Margason	Portland, Oregon
	Dr. David W. Baird	Portland, Oregon
	Dr. John R. Hano	Portland, Oregon
	Dr. J. Charles Kennedy	Portland, Oregon

Name	Address
Dr. Gordon Prewitt	Portland, Oregon
Dr. Frank B. Smith	Portland, Oregon
Dr. Joseph W. Nadal	Portland, Oregon
Dr. David D. DeWeese	Portland, Oregon
Dr. Vernon A. Douglas	Portland, Oregon
Dr. W. W. Howard	Medford, Oregon
Dr. Russell R. Sherwood	Medford, Oregon
Dr. W. G. Bishop	Medford, Oregon
Dr. L. D. Inskeep	Medford, Oregon
Dr. F. J. Moffatt	Medford, Oregon
Dr. Alfred H. Ilge	Portland, Oregon
64 Dr. Joyle Dahl	Portland, Oregon
Dr. Finley (initials unknown)	Medford, Oregon
Dr. George I. Hurley	Eugene, Oregon
Dr. Sleeter (initials unknown)	Medford, Oregon
Dr. Kanzler (initials unknown)	Medford, Oregon
Dr. Harvey C. Parker	Medford, Oregon

(b) the phrase "on terms of their own choosing" means on terms determined by personal preference without compulsion, direct or indirect, or pressure, direct or indirect.

38. With respect to defendants' request No. 38 relating to subdivision (f) of paragraph 35 of the complaint, plaintiff alleges:

(a) that plaintiff does not now know the names of the doctors in Oregon who have been denied the use of hospital facilities in Oregon by the conduct of defendants,

(b) that plaintiff does not now know the names of the doctors outside Oregon who have been denied the use of hospital facilities in the state of Oregon by the conduct of defendants,

(c) that plaintiff does not now know the names of the hospitals in the state of Oregon whose facilities have been denied to doctors in the state of Oregon or outside Oregon by the conduct of defendants,

(d) that the means and methods which were employed by defendants to deny the use of hospital facilties to doctors are alleged in paragraph 31 (b) hereof.

39. With respect to defendants' request No. 39 relating to subdivision (g) of paragraph 35 of the complaint, plaintiff alleges:

(a) that plaintiff does not now know the names of particular hospitals in the state of Oregon which have been denied the privilege of making their facilities avilable to doctors and members of the public by the conduct of defendants;

(b) that plaintiff does not now know the names
65 of particular doctors as to whom hospitals in the state of Oregon have been denied the privilege of making their facilties available by the conduct of defendants;

(c) that plaintiff does not now know the names of particular members of the public as to whom hospitals in the state of Oregon have been denied the privilege of making their facilities available by the conduct of defendants.

40. With respect to defendants' request No. 40 relating to subdivision (h) of paragraph 35 of the complaint, plaintiff alleges:

(a) that the means and manner by which the market for the sale and distribution of medicines, drugs, medical supplies and medical equipment has been unduly restricted by the conduct of defendants, are alleged in paragraph 21 (h) hereof;

(b) that the market for the sale and distribution of medicines, drugs, medical supplies and medical equipment has been unduly restricted outside the state of Oregon by the actions of defendants;

(c) that prepaid medical care plans operating, or which during the conspiracy have operated, in the state of Oregon do contract to furnish or pay for medicines, drugs, medical supplies and medical equipment. The names of said plans, now known to plaintiff are as follows:

Organization	Principal Place of Business
Industrial Hospital Association	Portland, Oregon
National Hospital Association	Portland, Oregon
Prudential Hospital Association	Portland, Oregon
Oregon Physicians' Service	Salem, Oregon
Multnomah Industrial Health Association	Portland, Oregon
Multnomah Medical Service Bureau	Portland, Oregon
Coos Bay Hospital Association	North Bend, Oregon

Organization	Principal Place of Business
Physicians Association of Clackamas County	Oregon City, Oregon
Klamath Medical Service Bureau	Klamath Falls, Oregon
Josephine County Hospital Association	Grants Pass, Oregon
Lumbermen's Hospital, Inc.	Bend, Oregon
Northwest Hospital Service Plan (Blue Cross)	Portland, Oregon
Pacific Hospital Association	Eugene, Oregon
Salem Deaconess Hospital	Salem, Oregon
Physicians & Surgeons Hospital Association	Salem, Oregon
Southern Oregon Medical Service Association	Medford, Oregon
Northern Permanente Foundation	Portland, Oregon
C. H. Weston Company	Portland, Oregon
66 Contractors-Employees Hospital Association	Portland, Oregon
Corvallis General Hospital Association	Corvallis, Oregon
Employees Hospital Association	Portland, Oregon
Eugene Hospital Clinic	Eugene, Oregon
Eugene Hospital Clinic Partnership	Eugene, Oregon
Hillside Hospital Company	Klamath Falls, Oregon
Oregon Medical Service Bureau	Portland, Oregon
Oregon Medical Service, Inc.	Portland, Oregon
Pumphrey Company	Portland, Oregon
Klamath Valley Hospital, Inc.	Bend, Oregon

Respectfully submitted,

(Signed) JAMES R. BROWNING
JAMES R. BROWNING
Special Assistant to The Attorney General

(Signed) JOHN J. MULVEY
JOHN J. MULVEY

(Signed) GERARD G. GALASSI
GERARD G. GALASSI
Special Attorneys

(Signed) HENRY L. HESS
HENRY L. HESS
United States Attorney

67 IN THE UNITED STATES DISTRICT COURT

[FILE ENDORSEMENT OMITTED]

[TITLE OMITTED]

Supplement to Plaintiff's More Definite Statement

Filed July 15, 1949

Pursuant to the request of defendants appearing on page 78, Transcript of Proceedings, Pre-Trial Proceedings, May 23, 1949, plaintiff submits herewith a supplement to its more definite statement filed February 28, 1949.

1. With respect to paragraph 6 of the more definite statement:

(a) Subparagraph (a): Plaintiff has no additional information.

(b) Subparagraph (b): Included in the class of non-approved organizations are the Fraternal Order of Eagles and other fraternal organizations not now known to plaintiff and prepaid medical care plans of railroads not now known to plaintiff.

(c) Subparagraph (c): Included in this subparagraph are, among others, the same group as in 1 (b) above.

2. Defendants request augmentation of paragraph 10 (e), page 13. There is no paragraph 10 (e). Plaintiff believes defendant means paragraph 10 (c), page 13. With respect to paragraph 10 (c) plaintiff has no additional information.

3. With respect to paragraph 19 (b), page 21, plaintiff has no additional information, except that it understands one such organization has been the Prudential Hospital Association and doctors associated with that organization.

4. With respect to paragraph 23 (b) and (c) plaintiff has no additional information.

68 5. With respect to paragraph 23 (d), the Fraternal Order of Eagles should be added.

6. With respect to paragraph 25 (b) and 25 (c), plaintiff has no additional information.

7. With respect to paragraph 26 (d), so far as plaintiff now knows, the following names should be added:

Name	Address
Helga Michielson	Calif. Packing Sales Co., Portland
Fred Spafford	Kercher Logging & Lumber Co. Box 265, Forest Grove, Oregon
Louis L. Evans	Gray & Alberti Lumber Co., Seaside, Ore.
C. R. DeVaney	E. K. Wood Lumber Co., Roseburg, Ore.
Cecil Callahan	E. K. Wood Lumber Co., Roseburg, Ore.
Claremont L. Fallert	Elkton, Oregon
Charles Ames	S. F. A. C. Lumber Co., Reedsport, Ore.
Oscar Hedman	Oregon-American Lumber Co., Vernonia, Ore.
R. L. Watts	General Delivery, Newport, Oregon
August Stanley	Box 335, Toledo, Oregon
Gene Coyn	Toledo, Oregon
Frank Creasy	1321 American Bank Bldg., Portland, Ore.
Winifred Lutz	C. D. Johnson Lbr. Co., Toledo, Ore.
Lester Maddox	C. D. Johnson Lbr. Co., Toledo, Ore.
Dell Goodman	C. D. Johnson Lbr. Co., Toledo, Ore.
Abbey Plummer Quail	C. D. Johnson Lbr. Co., Toledo, Ore.
Jack Harmon	C. D. Johnson Lbr. Co., Toledo, Ore.
Robert Payne	Roseburg, Oregon
Mildred Payne	Roseburg, Oregon
Thomas Vincent	Simpson Lumber Co., Kings Valley, Ore.
Inez Eberstein	Kings Valley, Oregon
Sam Mete	The Automobile Market, Medford, Ore.
Frances Griswold Hartl	1207 S.W. Dorion Ave., Pendleton, Ore.
America H. Magee	104 S.E. Isaac Ave., Portland, Ore.

Name	Address
Arvid Pearson	Out of the country (Sweden)
Harry Miller	Roseburg Lumber Co., Roseburg, Ore.
William Metcher	J. C. Compton Constr. Co., McMinnville, Ore.
Clyde C. White	J. C. Compton Constr. Co., McMinnville, Ore.
Al Hughs	J. C. Compton Constr. Co., McMinnville, Ore.
Emmett Nicodemus	J. C. Compton Constr. Co., McMinnville, Ore.
James Little	California-Oregon Power Co., Klamath Falls, Oregon
Harry Smith	Shepard and Morse Lumber Co., Westport, Ore.
Louis Evans	Seaside, Oregon
Clifford Girt	Gray Logging Co., Seaside, Oregon
Ray Simmons	General Delivery, Dillard, Oregon
Welby A. Schneider	W. A. Schneider Logging Co., Lorane, Ore.
Jeannine Hadley	Camp 12, C. D. Johnson Co., Toledo, Ore.
Ivan Wilson	1005 West Main, Medford, Oregon
Lloyd Stephens	Calif. Packing Sales Co., Portland, Oregon
Nelson Florey	Southern Oregon Sugar Pine Co., Central Point, Oregon
James Forseth	Seaview, Washington
Leonard Salminen	Route 1, Box 652, Warrenton, Oregon
Frank Wheatley	Route 1, Warrenton, Oregon
Anton Erzig	605 Fourth Avenue, Seaside, Oregon
Alvin Kamara	Route 3, Box 590, Astoria, Oregon
Cecil Burgess	Unknown
Frances Yexley	Columbia River Packers Assn., Astoria, Ore.

69 8. With respect to paragraph 27 (d), page 35, plaintiff has no additional information.

9. With respect to paragraph 28 (b), page 36, plaintiff has no additional information.

10. With respect to paragraph 31 (e), page 39, plaintiff has no additional information.

Paragraph 31 (f), page 39, plaintiff has no additional information.

Paragraph 31 (g), page 39, plaintiff has no additional information, except that one such organization has been the Prudential Hospital Association.

11. Defendant requests augmentation of paragraph 36 (b) on page 25. Paragraph 36 (b) is on page 45. Plaintiff assumes defendant means paragraph 36 (b) on page 45 with respect to which the following names should be added so far as plaintiff now knows:

Name	Address
Shepard & Morse Lumber Co.	Westport, Oregon
Bradwood Lumber Co.	Bradwood, Oregon
Lower Columbia Cooperative Dairy Association	Astoria, Oregon
Pacific Logging Co.	Astoria, Oregon
Gray Logging Co.	Seaside, Oregon
E. K. Wood Lumber Co.	Roseburg, Oregon
W. A. Schneider Logging Co.	Lorane, Oregon
Oregon-American Lumber Co.	Vernonia, Oregon
Central Willamette Lumber Co.	Philomath, Oregon
Automobile Market	Medford, Oregon
California-Oregon Power Co.	Klamath Falls, Ore.
California Packing Sales Co.	Portland, Oregon
Kercher Logging & Lumber Co.	Forest Grove, Oregon
Southern Oregon Sugar Pine Co.	Central Point, Oregon

12. With respect to paragraph 37 (a), page 46, plaintiff has no additional information.

13. With respect to paragraphs 38 (a), (b) and (c), page 50, plaintiff has no additional information.

70 14. With espect to paragraphs 39 (a), (b) and (c), pages 50 and 51, plaintiff has no additional information.

residents of Oregon, and that Oregon residents sometimes are treated by doctors and use hospitals outside of Oregon; deny all the remaining allegations, matters and things in paragraph 28 of said complaint.

XV.

Defendants admit that medicines, drugs, medical supplies and equipment continuously come into and go out of the State of Oregon; deny all the remaining allegations, matters and things in paragraph 29 of said complaint.

XVI.

Defendants admit that organizations agreeing to procure or provide medical care or hospitalization in Oregon cannot perform their contracts in Oregon unless they provide doctors in Oregon to service their contracts and their patients have access to hospitals in Oregon; deny all the remaining allegations, matters and things in paragraph 30 of said complaint.

XVII.

Defendants admit that members of Clackamas County Medical Society, Clatsop County Medical Society, Columbia County Medical Society, Douglas County Medical Society, Jackson County Medical Society, Lane County Medical Society, Multnomah County Medical Society and Oregon State Medical Society at times between January 1, 1936, and the time of filing the complaint herein, sponsored prepaid medical plans and each of said societies approved one or more prepaid medical care plans, and that each individual defendant is now and heretofore has been a member of a County Medical Society listed in paragraph 12 of plaintiff's More Definite Statement, and that at some time since 1936 has been an officer of defendant Oregon State Medical Society and/or of defendant Oregon Physicians' Service; deny all the remaining allegations contained in paragraph 31 of said complaint.

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XVIII.

Defendants admit that services offered by contracts for medical care or policies of insurance to pay for medical care, whether approved by any defendants or not, are limited by the agreements contained in the contracts, admit that doctors of an individual county offering a plan for prepaid medical care in Oregon, whether as entities or divisions of Oregon Physicians' Service, largely limit their services to

the county geographical area in which the contracting doctors practice; deny all the remaining allegations contained in paragraph 32 of said complaint.

XIX.

Defendants admit that subsequent to January 1, 1936, and prior to the year 1941, defendant Multnomah County Medical Society expelled certain members who were associated with certain types of contract practice; and defendants deny all the remaining allegations in paragraph 33 of said complaint.

XX.

Defendants admit that each individual defendant has been a member and officer of one of more of defendant associations or corporations during some of the period from January 1, 1936, to the time of the filing of the complaint; defendants deny all the remaining allegations of paragraph 34 of said complaint.

XXI.

Defendants deny the allegations contained in paragraph 35 of said complaint.

XXII.

Except as specifically admitted herein, the defendants deny each and every allegation, matter and thing contained in the plaintiff's complaint or in plaintiff's More Definite Statement.

WHEREFORE, having fully answered the allegations
88 contained in plaintiff's complaint, defendants deny that plaintiff is entitled to the relief or any part thereof prayed for in its complaint, and pray that the complaint be dismissed.

GRIFFITH, PECK, PHILLIPS & COUGHLIN

By (Signed) JOHN J. COUGHLIN

CAKE, JAUREGUY & TOOZE

By (Signed) NICHOLAS JAUREGUY
Attorneys for Defendants